



# Corporate PRESENTATION

March 2024

# Disclaimer

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. Macrotech Developers Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

# Lodha: Leading Indian housing platform with robust growth opportunities

## The Platform

### Residential

- Amongst India's **largest** residential real estate player, with consistent track record of sales, collection & profits
- Industry seeing **robust demand growth & significant consolidation**
- **Strong** presence in **MMR & Pune**; Entered **Bengaluru**
- Targeting medium term pre-sales CAGR of 20%

## Growth Opportunities – Low investment annuity income streams

### Digital Infra. Platform

- Developing Warehousing, Logistics, Data Centers, Light industrials catering to **digitization of economy**
- Pan-India Platform in JV with two marquee investors, to **create asset base of USD 1.0bn+**
- Sizeable land parcels available at our township for this segment

### Property Mgmt. & Digital Services

- Growing facilities management business with digital services layer
- Have a **captive base of 65,000 households** with high spending power
- **Launched digital app BelleVie**, to serve entire value-chain of home ownership & Wider gambit of owners need through 'near commerce'

### Rental Portfolio

- Select **high quality office and retail portfolio** at our developments
- Have commercial assets with rental potential of INR **~3.0bn p.a.**
- To grow over time with our mixed-use strategy

# Continued strong performance

## Sales Momentum

- FY24 pre-sales at INR 145.2bn<sup>1</sup>, meeting FY24 guidance
- Q4FY24 pre-sales at INR 42.3bn<sup>1</sup>, highest ever quarterly pre-sales

## Micro-market focused capital efficient growth

- Added 10 projects with GDV of INR ~203bn, surpassing INR 175bn annual guidance for FY24

## Focus on creating annuity streams with low investment

- Pan India JV for Digital Infra with Bain Capital & Ivanhoe Cambridge progressing well
- Added layer of Digital Services to existing property management business; to help maximize lifetime customer value; Launched pilot with brand name 'BelleVie'
- Portfolio of select high quality office and retail annuity assets

## Strengthening balance sheet

- Net Debt at INR 30.1bn as of Mar-24 (<0.2x Net D/E)
- Continue to be well below 0.5x of Net D/E

## Enhanced ESG focus

- Achieved carbon neutrality in our operations (scope 1 & 2) in Mar-24, against 2028 net zero targets set with SBTi
- Included in the prestigious Dow Jones Sustainability Index (DJSI) 2023 & FTSE4Good Index Series
- S&P Global CSA<sup>2</sup> 2023 : 3<sup>rd</sup> Highest score out of ~300 global Real Estate Development companies

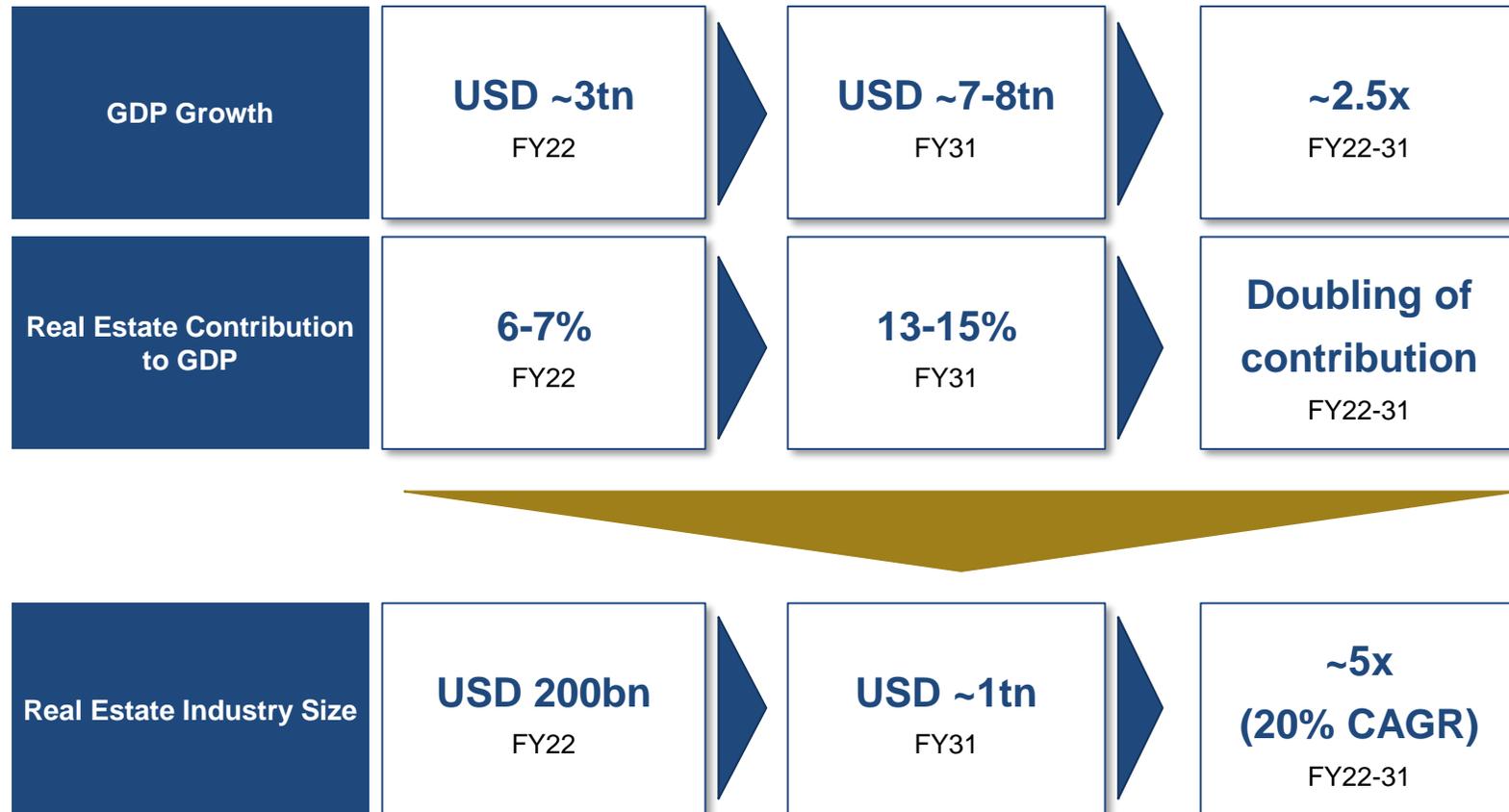
<sup>1</sup> Includes DM Sales of 0.9bn and 0.4bn in FY24 and Q4FY24 respectively

<sup>2</sup> CSA: Corporate Sustainability Assessment



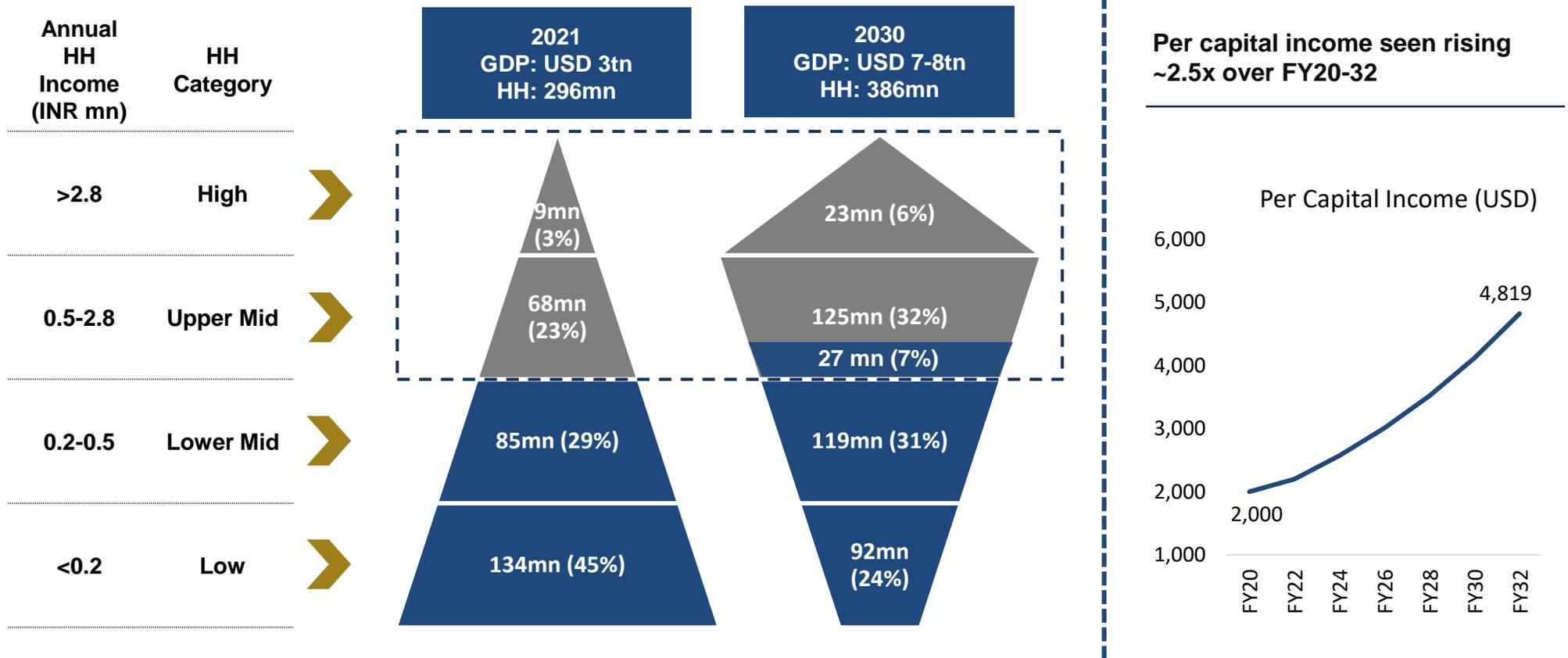
# 01 Industry tailwinds

# Transition to middle income: Real Estate to grow ~2x faster than the Indian economy



**Housing to be key driver of and key beneficiary from GDP growth**

# 75-100 mn new households to become 'home ownership capable' this decade

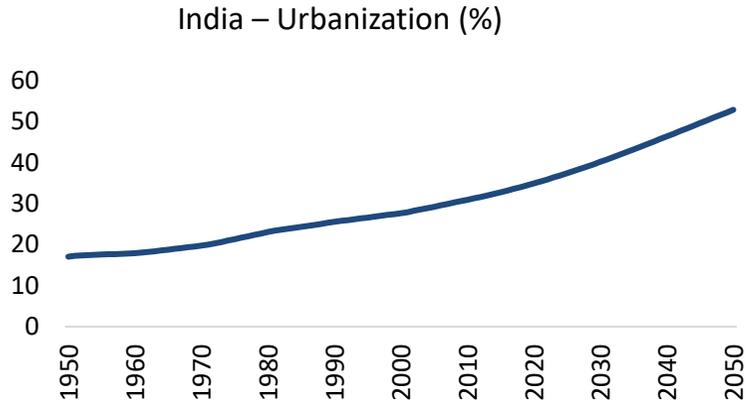


Even assuming significant industry supply growth<sup>1</sup>, supply is likely to be <10 mn units. Once in a country's lifetime opportunity!

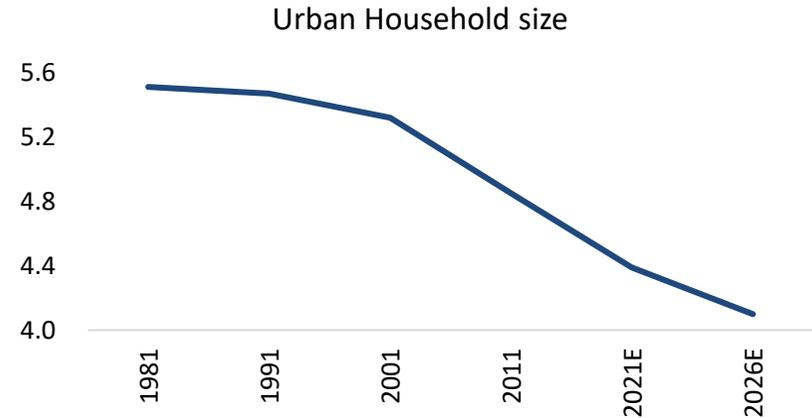
Source: WEF/Future of Consumption report, EY; HH: Household; <sup>1</sup> - 20% CAGR in physical units delivered CY2021-2030

# Strong affordability drives conversion of housing need to demand

## Rapid urbanization to create need for quality urban housing

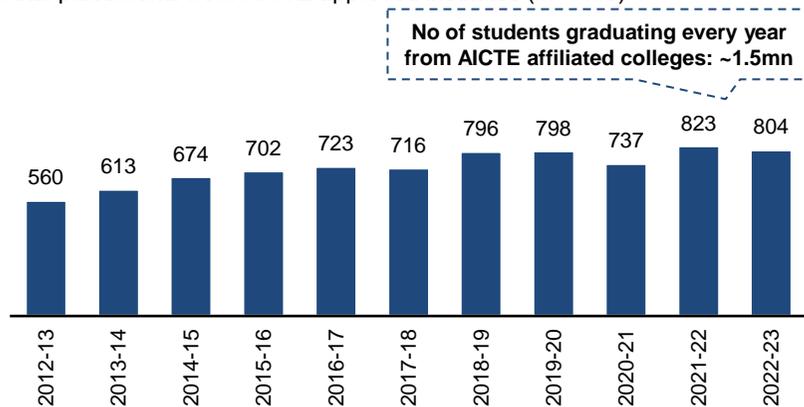


## Family nuclearization

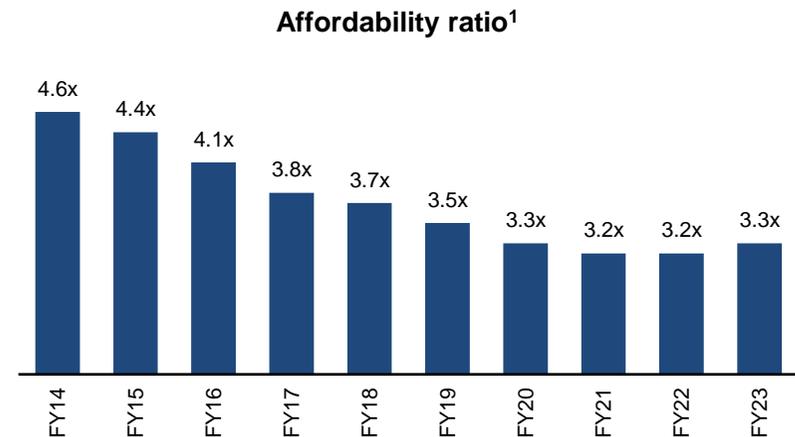


## Large no of educated workforce added every year

Total placements from AICTE approved institutes (in '000s)



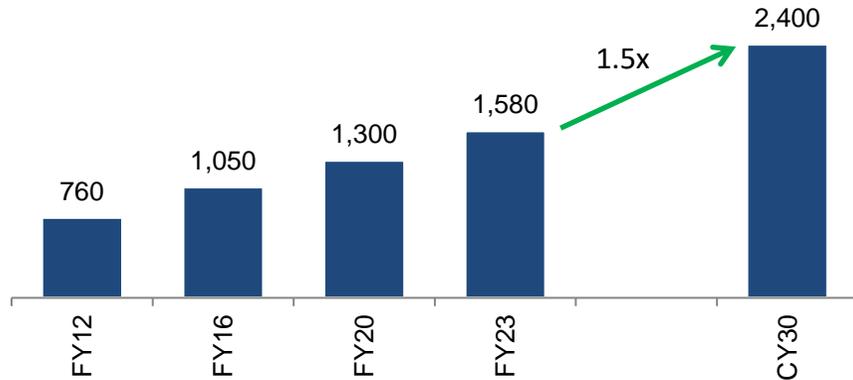
## Improved affordability to support demand



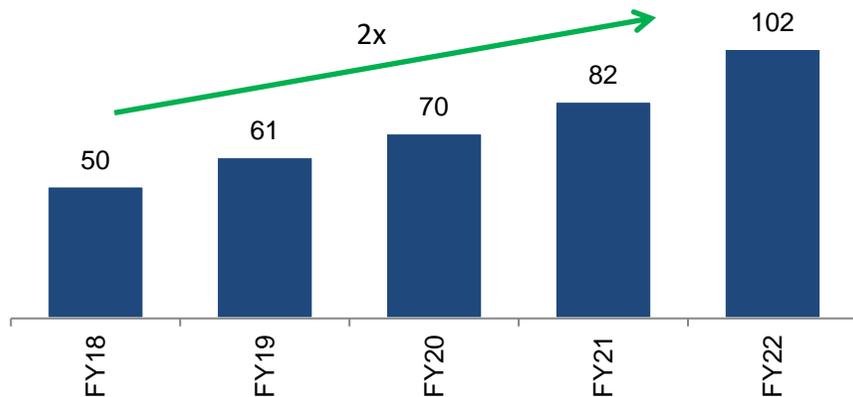
As long as housing price growth is slightly below white collar wage growth, housing demand will grow sustainably

# Robust job creation to sustain housing demand

## Increasing presence of GCC<sup>1</sup> in India....

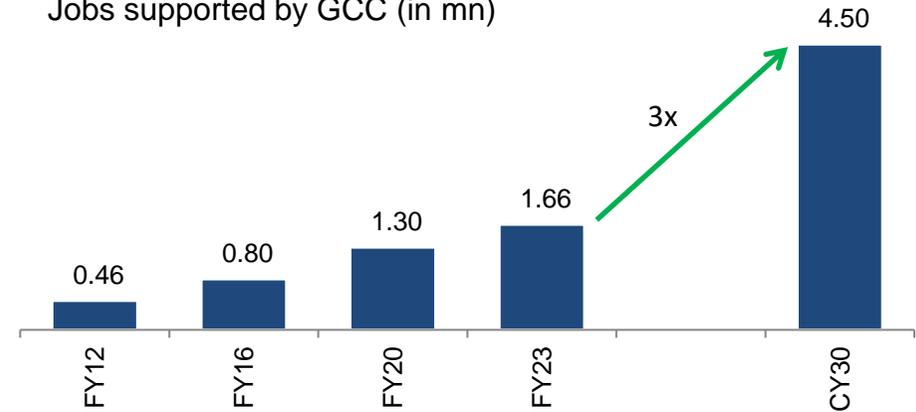


## Large BFSI GCCs also increasing their presence: JPM has nearly doubled its presence in India



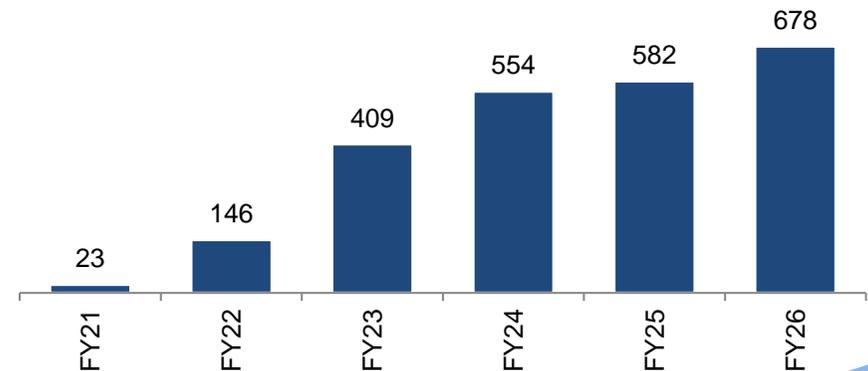
## ...has led to robust job creation, more than offsetting slowdown in hiring by IT services companies

### Jobs supported by GCC (in mn)



## Manufacturing job creation led by PLI<sup>2</sup> capex

### Capex outlay under PLI scheme (INR bn)



# Supply side consolidating - unlikely to keep pace with accelerating demand

## Consolidation wave due to policy reforms and liquidity crisis...



### Remaining Tier - 2 & 3 players develop:

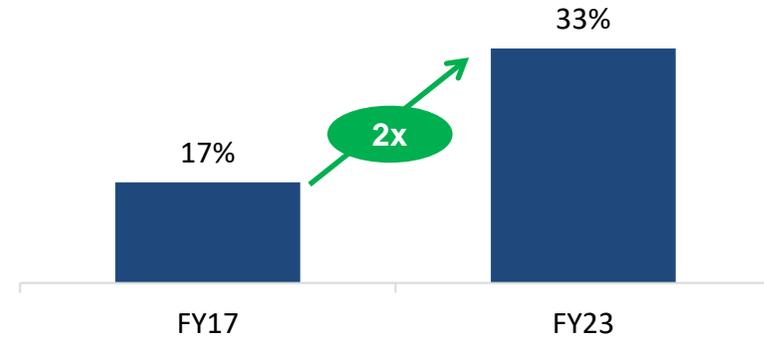
- ✓ Small-sized projects (< INR 5bn)
- ✓ One at a time
- ✓ Take longer (5-7 years) to complete

## Multiple forces leading to consolidation

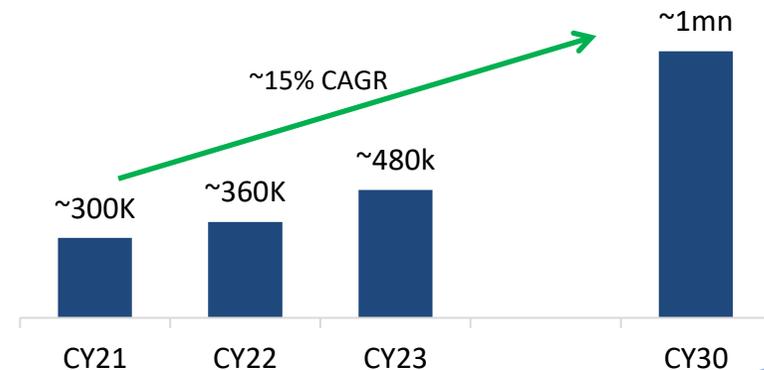
- ✓ Regulatory push: **RERA, Demonetization, GST, Amendment to Benami Act.**
- ✓ Funding squeeze for Tier – 2 & 3 developers:
  - NBFC's exiting market after large losses – wholesale lending bubble popped after IL&FS implosion
  - Inability to **sell during construction**
- ✓ Consumer loss of confidence with Tier – 2 & 3 developers:
  - Having **burnt their lifetime savings**
  - **Failure to deliver or untimely delivery** with poor quality

Source: Anarock

## ...has led to market share gains for listed and leading non-listed developers

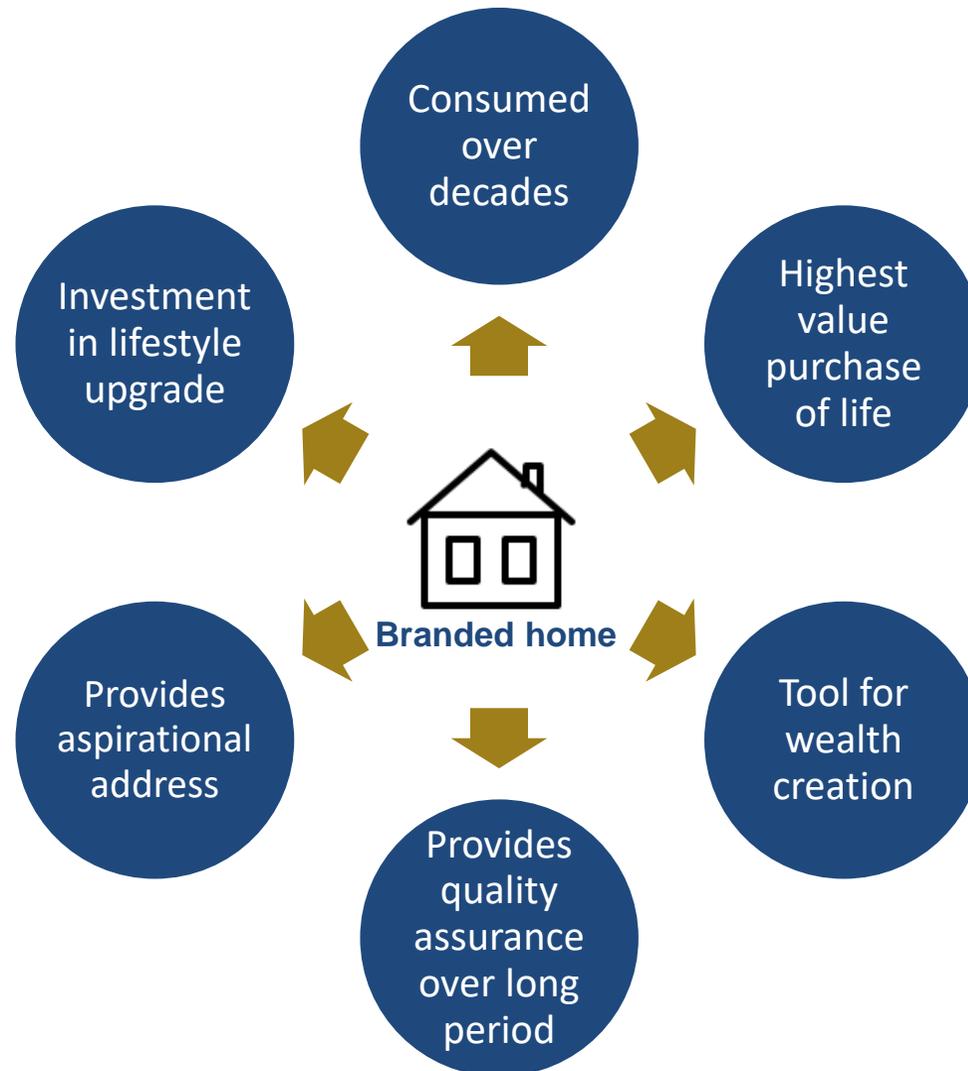


## Housing sales in top cities to reach 1mn by 2030



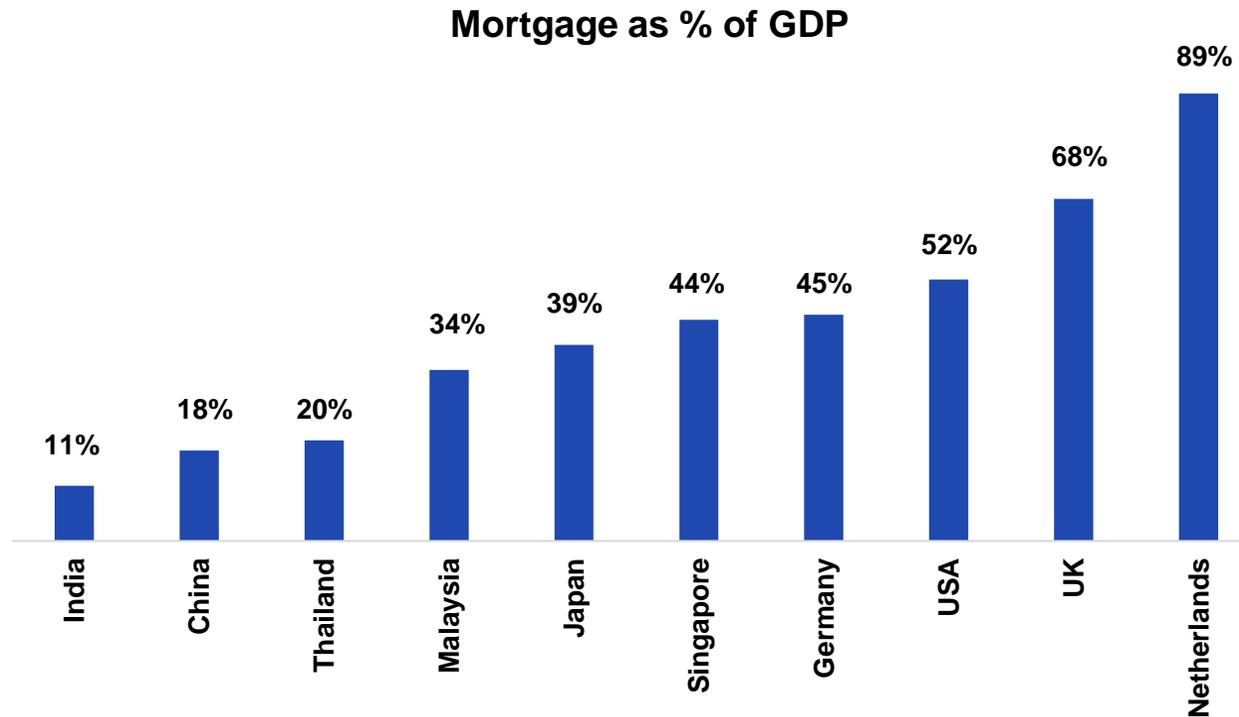
# 'Housing' increasingly becoming a branded 'Consumer Product'

Brand matters the most



# Steady as it goes: Mortgage an enabler, not inducer of demand

- ✓ Conservative Central Bank, low risk mortgage market: LTV < 75%, no teaser rates
- ✓ Rate cycle seem to have peaked, pivot likely in CY24
- ✓ Strong performance of mortgages through all parts of the cycle - Intense competition for safe haven mortgage assets leading to plentiful availability
- ✓ A floating rate product; rate cycle well understood by homebuyers. Interest rate change modifies tenure, not EMI
- ✓ Salary growth of 8-10% enables mortgage repayment in 7-8 years



*Low penetration of mortgage provides significant room for growth*

***Housing sales driven by fundamental need and nominal price growth, not by mortgage inducement***

# Low risk to margins from construction cost inflation

- ✓ Construction costs typically forms 25% to 45% of the sales price
  - Of which, one-third is related to low skilled and semi-skilled labor: plentiful supply though migration from rural areas (250+ mn people estimated to be 'underemployed' in agriculture). Hence, labour inflation is low and keep inflation from being 'sticky'
  
- ✓ Commodity inflation, though often sharp, generally of short cycles as demand and supply adjust to new normal, bringing price moderation in the short term
  - Spurt in commodity price due to Russia-Ukraine war is reversing
  
- ✓ ~3 year period of construction provides flexibility to manage costs across the project lifecycle
  
- ✓ Ready and advance under-construction inventory provides hedge against the commodity price inflation

## Construction cost – inflation moderation since Mar-22

Commodity/Component	% Share in total cost	Mar'21 to Mar'22		Mar'21 to Mar'24	
		% Change	Weighted Impact	% Change	Weighed Impact
Steel	12.9%	35.1%	4.5%	-3.9%	-0.5%
Flooring Tiles	5.0%	23.9%	1.2%	15.3%	0.8%
Electrical/Plumbing	11.8%	10.1%	1.2%	5.0%	0.6%
Labour	34.4%	3.0%	1.0%	7.1%	2.5%
External Windows	3.9%	21.9%	0.8%	9.2%	0.4%
RMC + Cement	10.5%	6.3%	0.7%	13.9%	1.5%
Lifts & Elevators	3.3%	16.6%	0.5%	37.7%	1.2%
Carpentry Materials	3.5%	15.5%	0.5%	7.6%	0.3%
Painting	3.8%	13.1%	0.5%	33.6%	1.3%
<b>Overall</b>			<b>~13.7%</b>		<b>~10.6%</b>

*Construction cost increase since 1st April 21 at ~3% annualized rate  
This, in turn, implies impact on COGS of <2% p.a. for our portfolio*



## **02** Lodha's Right-to-win

# Differentiated business model to deliver superior returns (1/2)

## Predictable and consistent Pre-sales growth from diversified presence

### Pre-sales

- ***Not dependent on any single segment, location or project***
  - ***Presence across all segments*** - luxury, premium, mid-income & affordable
  - ***~40 operating project*** across MMR, Pune & Bengaluru

## Better margins due to strong brand and leadership in all cost elements

### Pricing Power

- ***Premium pricing due to superior product and strong brand***
- ***Disciplined execution of moderate price growth (just below wage growth) supporting margin expansion***

### Land

- ***Strong underwriting: Acquiring land under various modes and across cycles - allows to choose projects with targeted margin & return*** from large opportunity set  
*Aggregated Land || Outright purchase on bilateral basis || Auction*  
*Redevelopment || JDA with Landowners*
- ***600+ msf of development potential beyond planned*** – natural hedge against land price inflation

### Construction Cost

- ***Only player with own GC capability*** – avoids margin leakage & enables faster churn

### Overheads

- ***Going deep & operating at scale in the cities we are present in, keeping overheads in check***

# Differentiated business model to deliver superior returns (2/2)

## Superior Returns & Robust Cashflows

### Fastest land to cash cycle

- **Bring to market expeditiously**- launch **within 9-12 months** of land acquisition
- **Accelerated monetization of land** through **product innovations** – Apartments, plots & villas, boutique offices, high street retail

### Large townships with annuity like cashflow

- **~50% cash margin** with land entirely paid for - **step up significantly** with infra project completions (**Airport, Metro, Bullet Train, etc.**)

### Strategically chosen annuity streams

- **Low capex intensity delivering RoEs inline with core resi business**
  - Facilities Mgmt. with near commerce through Bellevie app. – **adjunct to resi. business**
  - Warehousing & industrial platform
  - Select Retail & Office assets – **part of our mixed use development**

## Growing while deleveraging & in a sustainable manner

### Capital Structure

- **Net debt down to INR ~30bn vs INR ~161bn** at the time of IPO, simultaneously with **business addition of INR ~550bn and Pre-sales growth by 35% CAGR** over FY21-24
- Net debt at **<0.2x Net D/E, capped at 0.5x Net D/E**

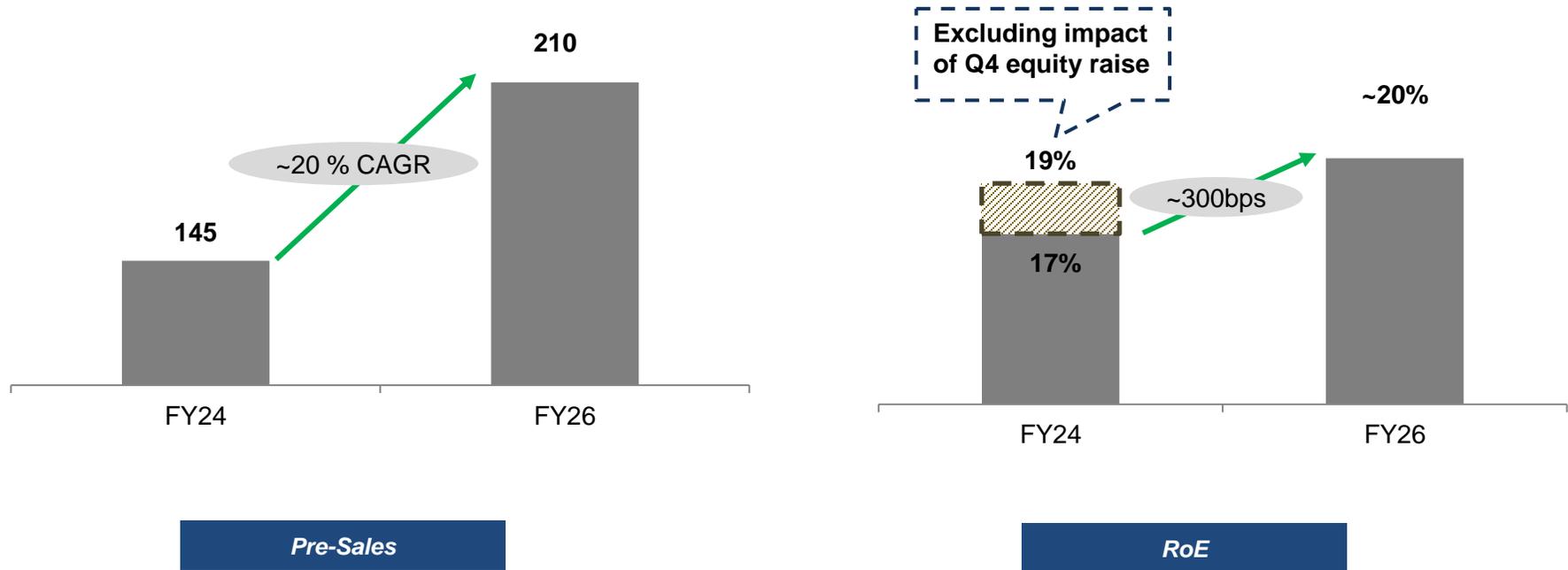
### Strong ESG focus

- **First real estate company from India to have SBTi validated Net Zero target**
- **GRESB: Ranked No.1 in Asia & 2<sup>nd</sup> Highest score by S&P amongst global RE Dev.**
- **High governance standards with versatile board** (Consumer, Tech, BFSI, Sustainability etc.) guiding management

# '20:20' Action Plan

INR bn

Focus to deliver ~20% Pre-sales CAGR & 20% RoE with net debt ceiling of 0.5x D/E

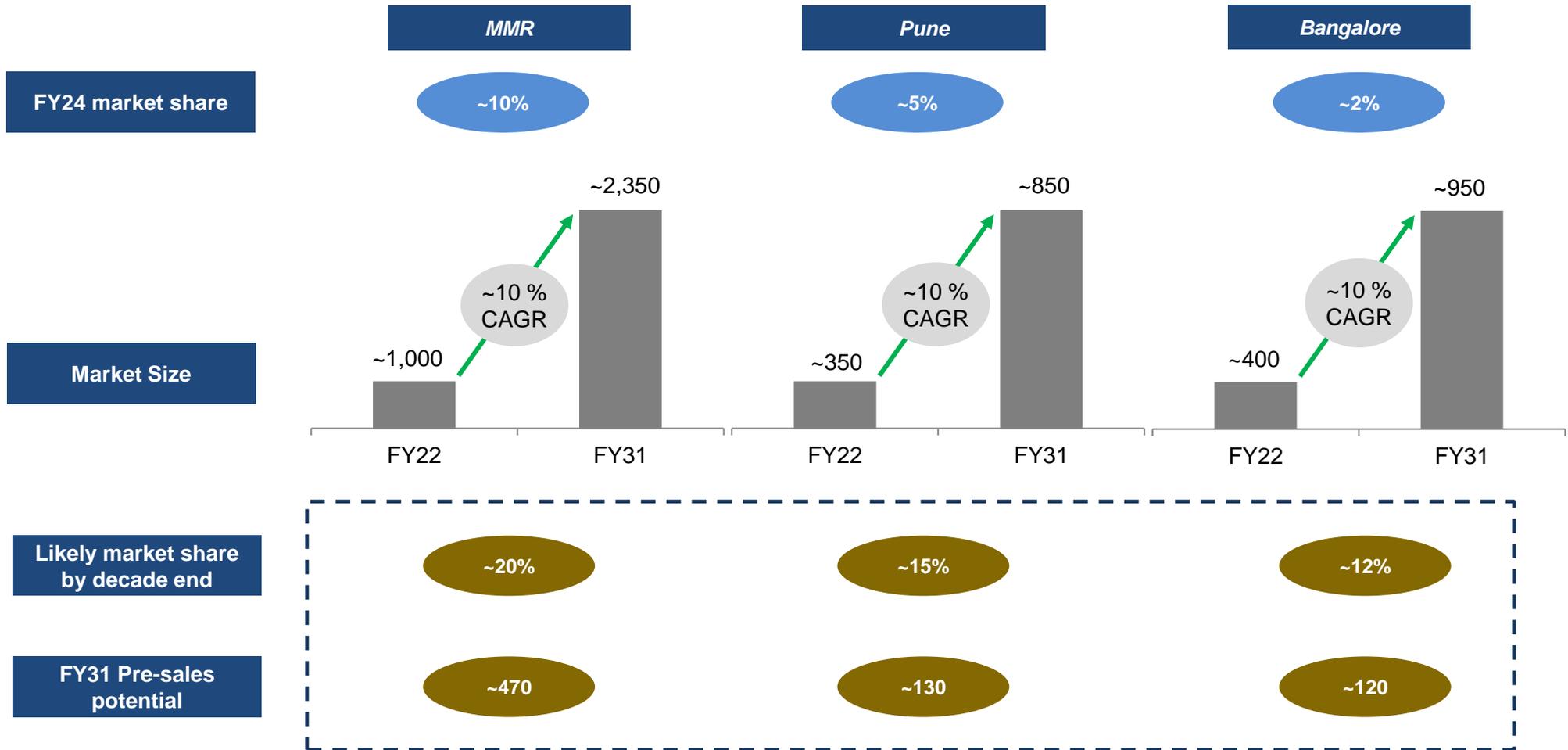


## ~20% ROE through mix of 'owned' & 'JDA' projects

	Share of pre-sales in steady state	PBT Margin Profile	ROE Profile
Owned land projects	~60%	27-30%	15% to 20%
JDA	~40%	17-19%	30+%
Overall			~20%

# Significant headroom for growth in our existing markets

INR bn



Guiding Pre-sales of INR ~500bn (20% CAGR) by FY31 against INR 720bn of potential in just 3 cities - 30+% cushion

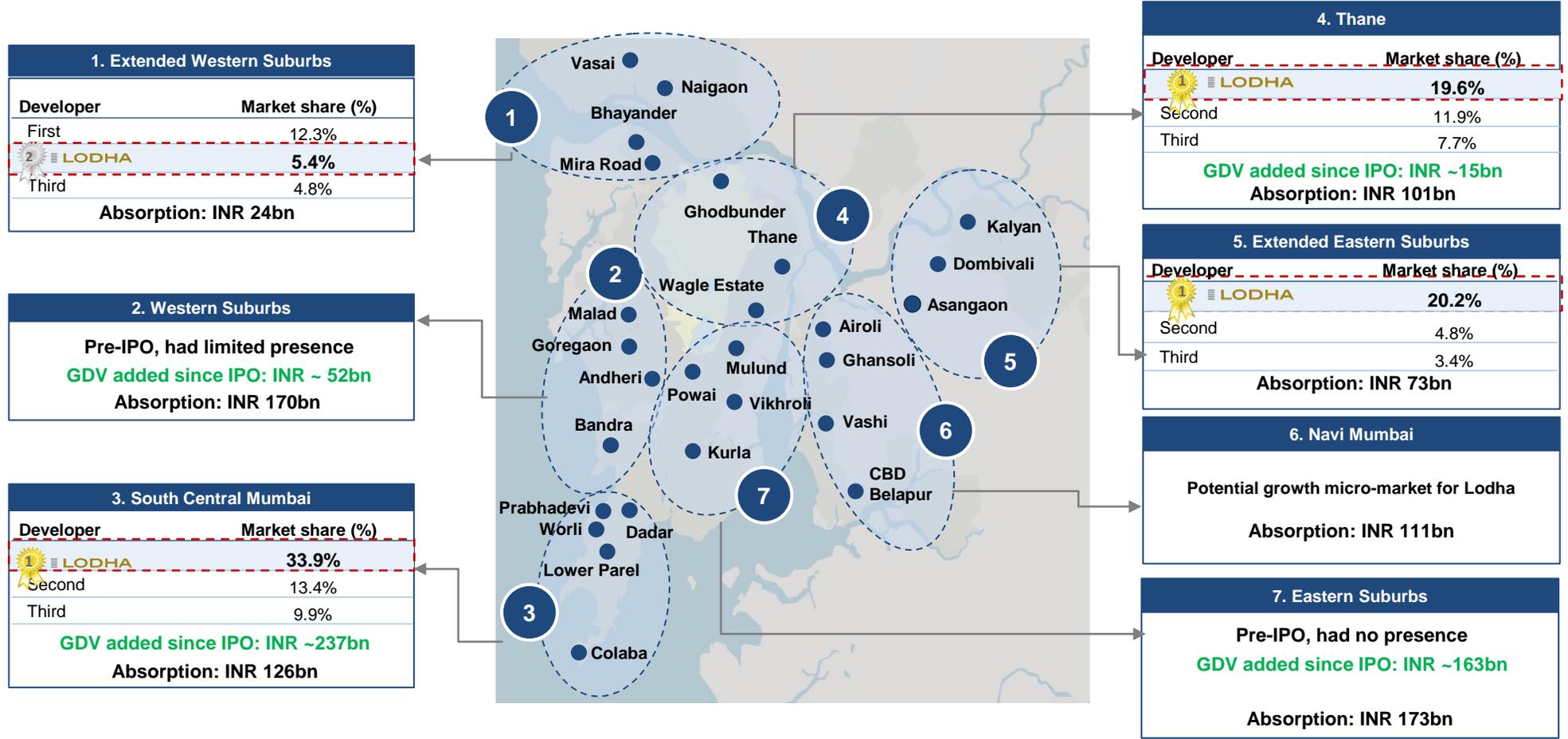
# Business Strategy

- ✓ Micro-market focused growth strategy in MMR, Pune & Bangalore through capital light JDA model
- ✓ MMR: Largest developer with dominant presence in just three of the seven micro-markets
  - Holding market share in the three micro-markets
  - Growing significantly in micro-markets with limited presence – Eastern Suburbs contribution increased to INR ~20bn from no presence in FY21
- ✓ Pune: Accelerating growth; On track to be amongst top 3 by the end of the year
  - Presence at five location, spread out across the city
  - Pre-sales increased to INR ~18bn in FY24 from INR ~2bn in FY21
- ✓ Bangalore: Ahead of time entry to build brand through delivery, deepen local knowledge & build local team
  - Launched two project in FY24 to phenomenal customer response, INR 12bn contribution to FY24 pre-sales
  - Gives confidence to accelerate growth phase

# Significant opportunity to scale up in other micro-markets of MMR

## Market leading position in most micro-markets, with potential for growth in other regions

Market share by absorption in INR bn

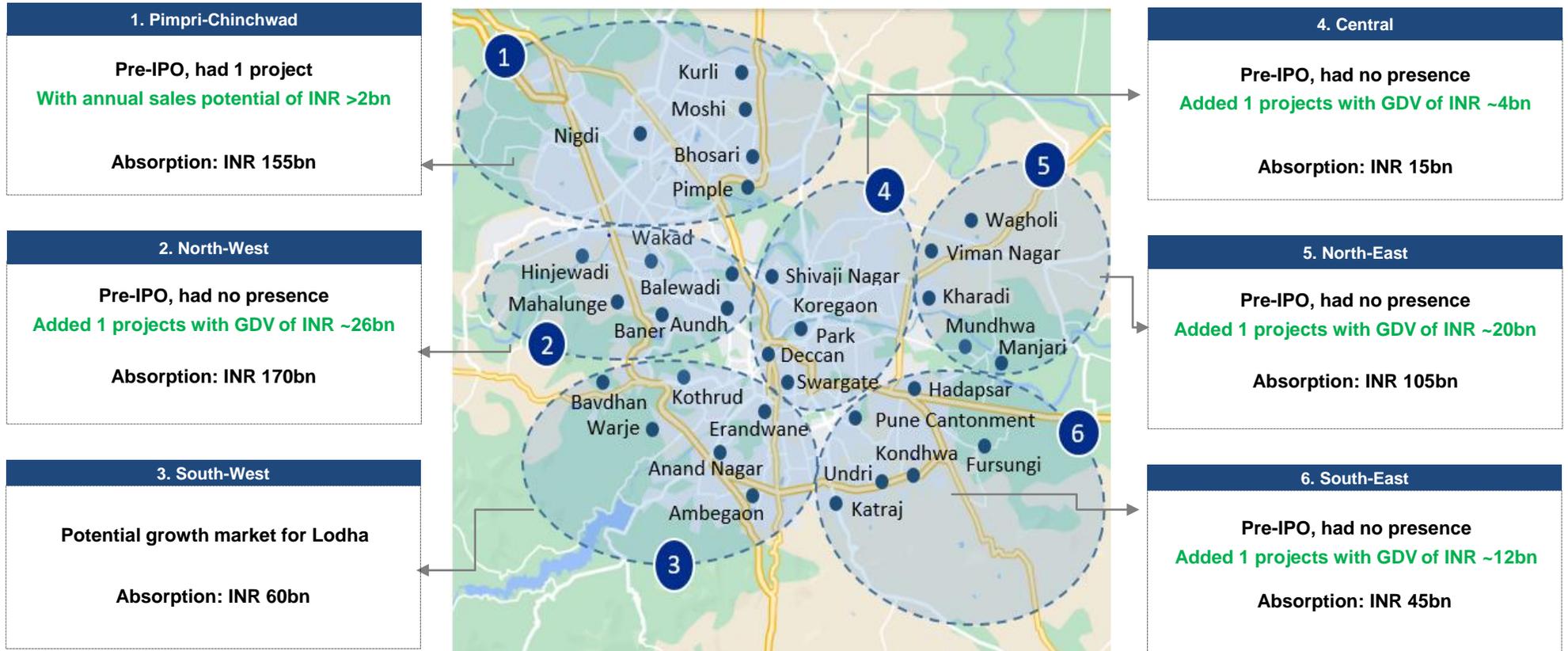


Tied up INR ~467bn of GDV and development potential of ~23 msf across 27 projects in various micro-markets of MMR

Source: Anarock  
 Note: Market shares and absorption data is average for 2015-20 absorption

# Pune – Will contribute to growth in a sustainable manner

Establishing presence across multiple locations in INR 550bn market

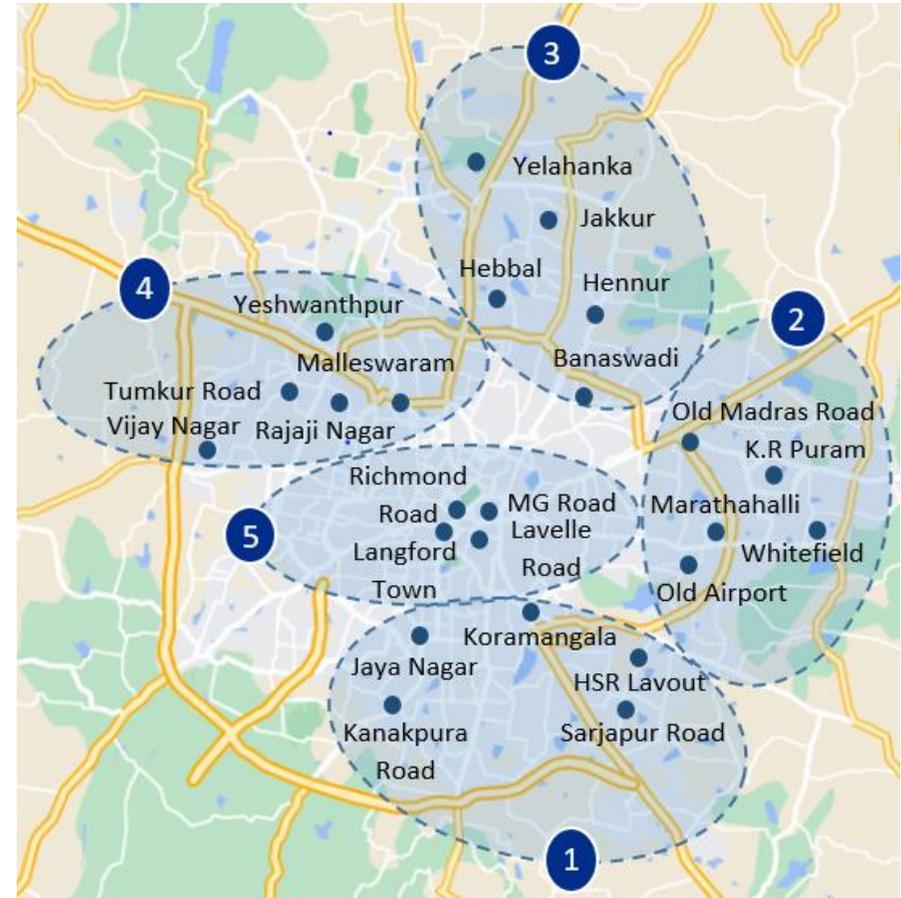


Tied up INR ~60bn of GDV with development potential of ~7.6 msf across four projects in various micro-markets of Pune

# Bengaluru – Good start to our pilot phase, gives confident to accelerate expansion phase

**Market size: INR ~550bn**

	Micro-market	Market Size (INR bn)
1	South	210
2	East	170
3	North	125
4	West	40
5	Central	5
	<b>Total</b>	<b>550</b>

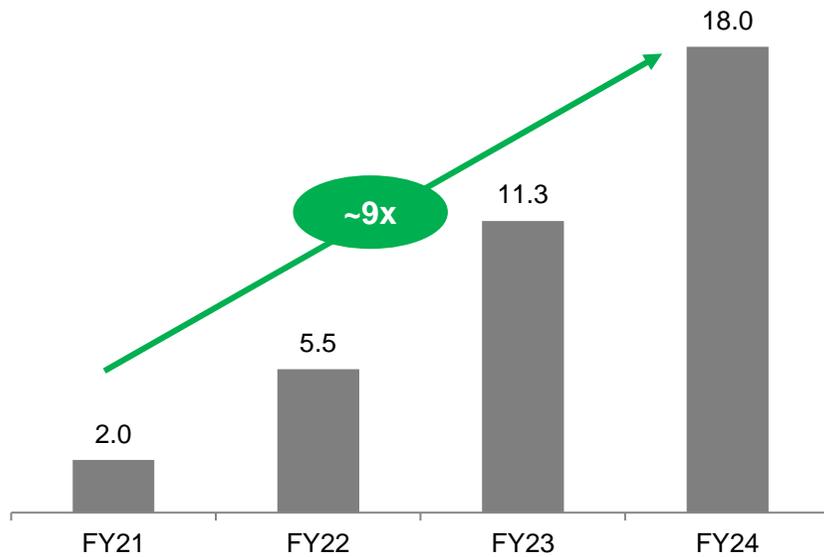


Launched two projects in FY24, Mirabelle & Azur; Both received phenomenal response

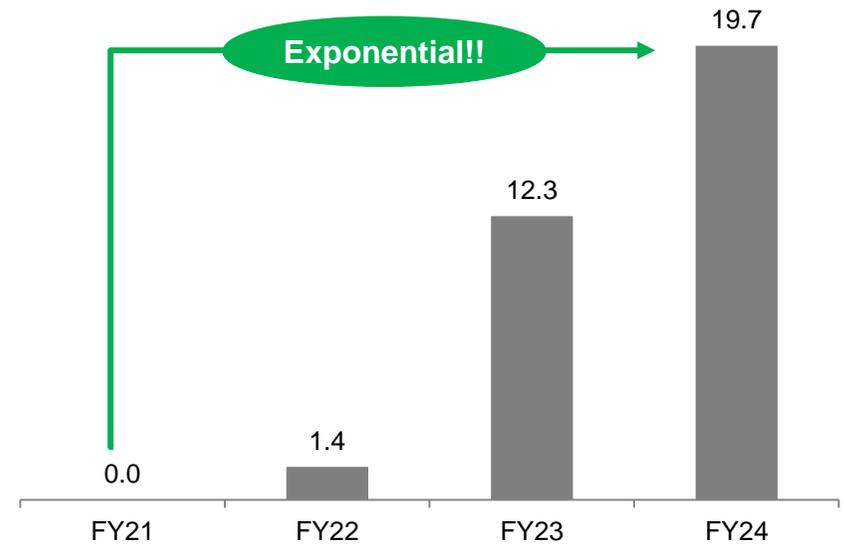
# Exponential growth – Supermarket strategy paying good dividend in targeted micro-markets

INR bn

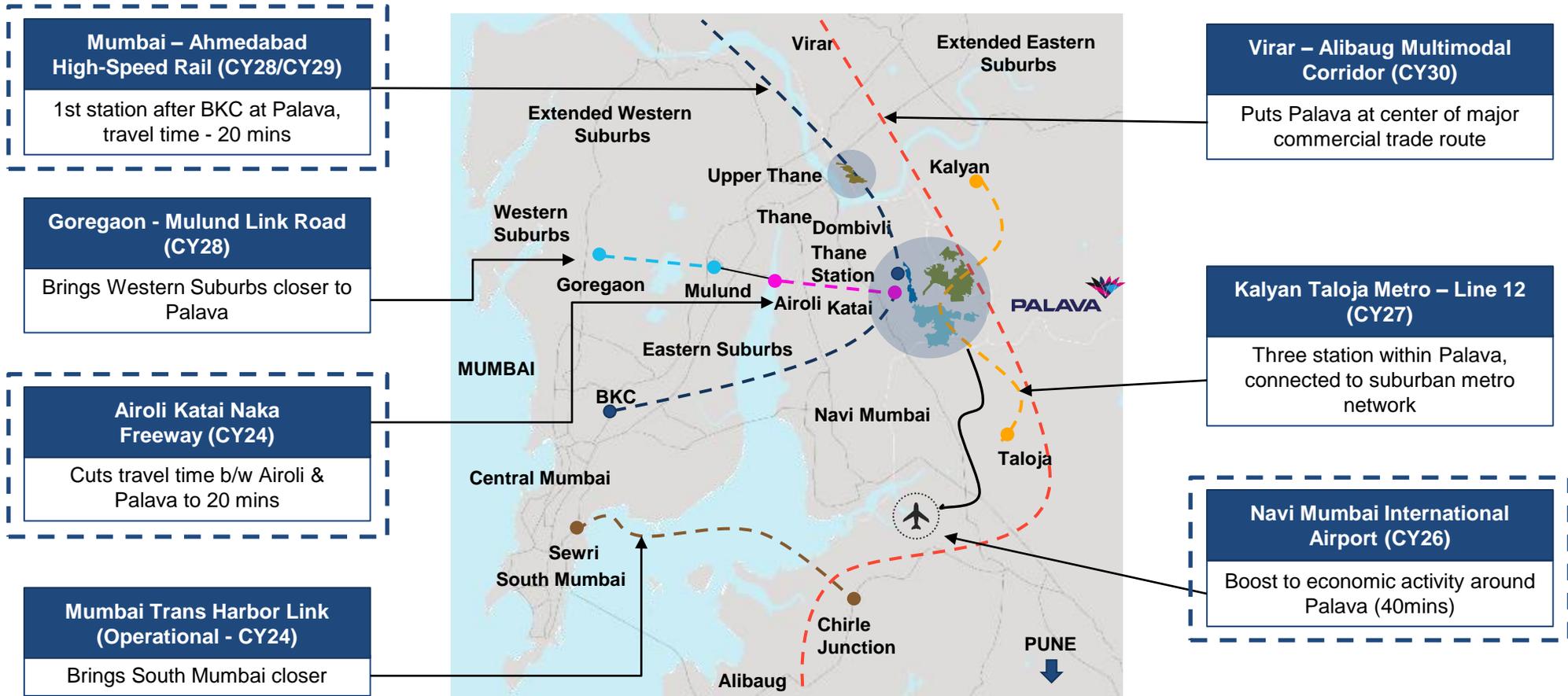
## Pune



## MMR – Eastern Suburbs



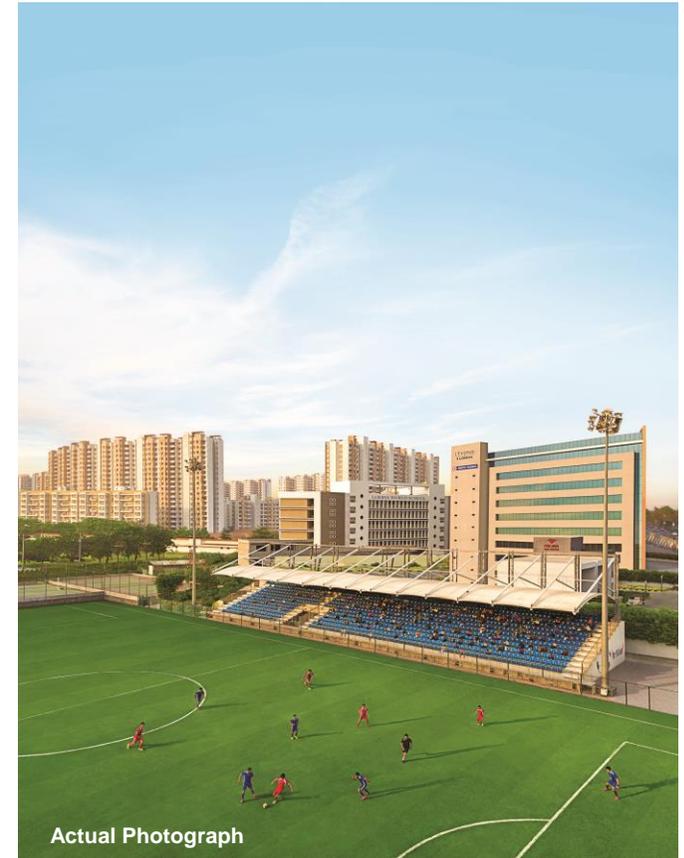
# Ongoing infra projects (Airport, Metro, Bullet Train, Multi-modal Corridor etc.) to supercharge Palava's growth



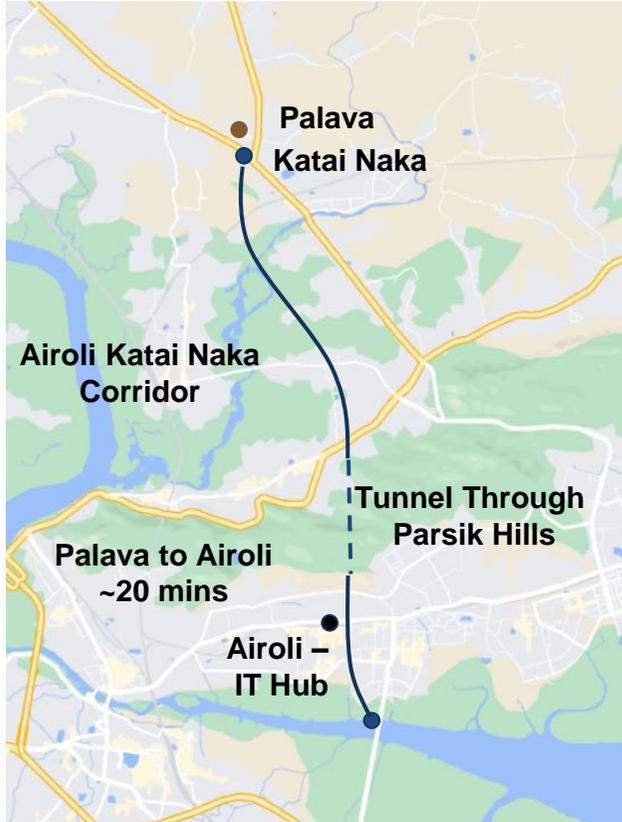
# With 600 mn+ sq ft of development potential, Palava & Upper Thane set to deliver US\$175-200 bn of sales over next 3 decades with ~50% EBITDA margins

## 3 mega trends shaping Palava & Upper Thane to become sought after suburbs

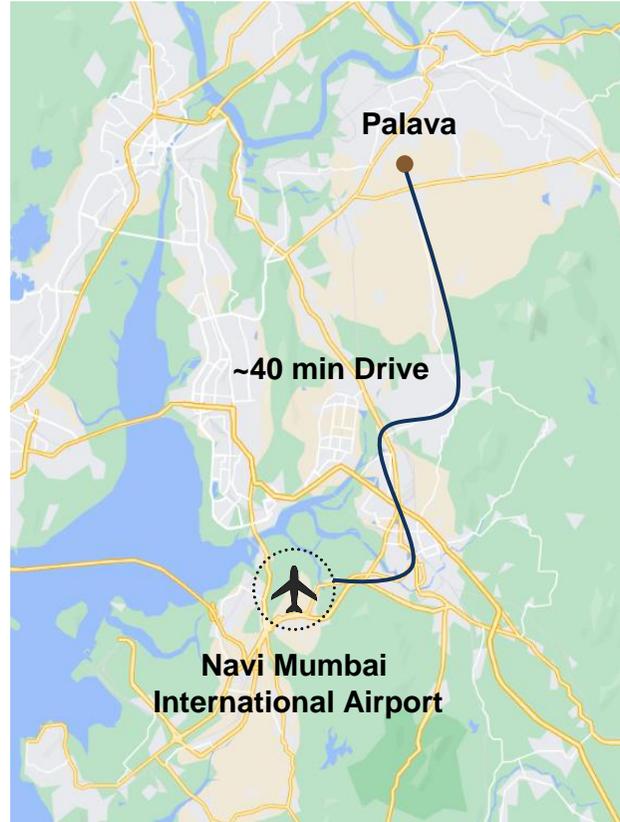
1. Mumbai – **World’s densest metropolis**, sea restricts expansion in West and South
2. India going through **once in a country’s lifetime transition from low to mid-income**, leading to significant demand for aspirational and premium housing
3. **Palava City** at the epi-centre of Mumbai Region (MMR)’s **infrastructure upgrades**:
  - a. Airoli-Katai freeway to make **Airoli, Mumbai’s IT Hub**, **predictable 20 min drive** from Palava (Est. CY24)
  - b. **Navi Mumbai airport at just 40 min drive** from Palava (Est. CY26)
  - c. First stop of Mumbai-Ahmedabad Bullet train after BKC at Palava, **predictable 20 min journey to BKC** (Est. CY28/29)



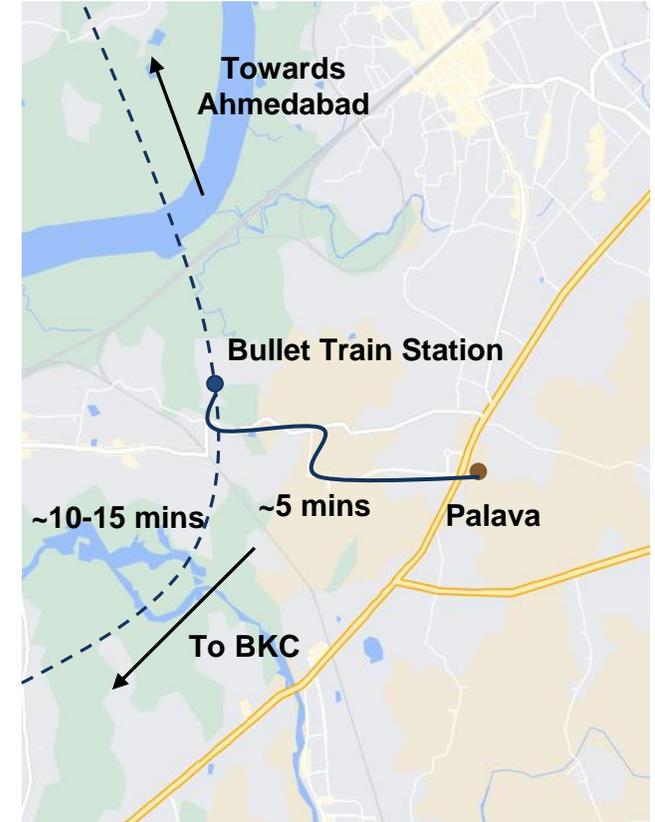
# Palava is at the epicenter of Mumbai Metropolitan Region (MMR)'s infrastructure upgrades



**Airoli to Palava in ~20 mins by Airoli-Katai Naka Corridor (Opening: 2024)**



**Proximity to new airport enhancing attractiveness of Palava (Opening: 2026)**

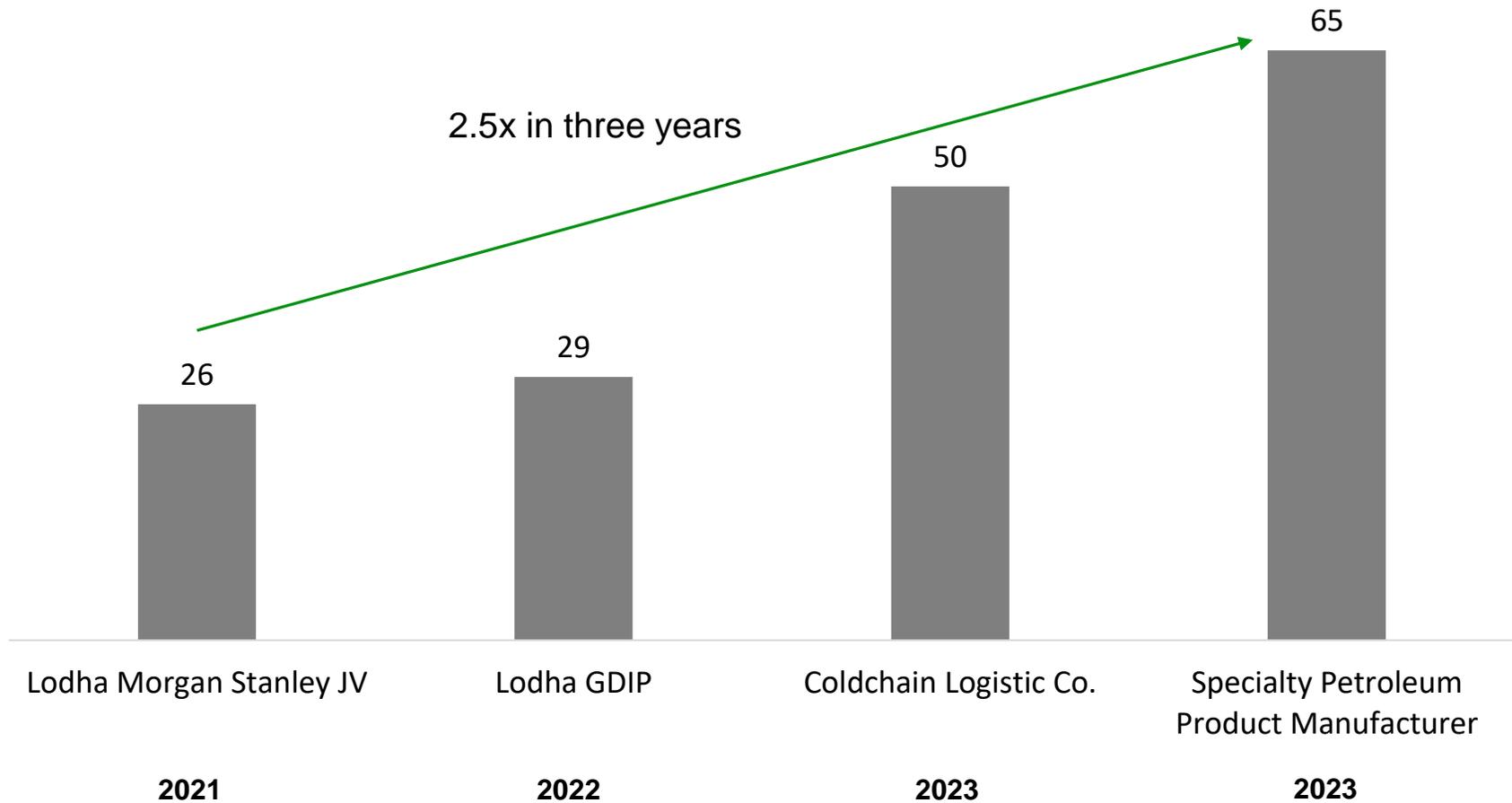


**First Bullet Train station after BKC at Palava (Opening: 2028/29)**

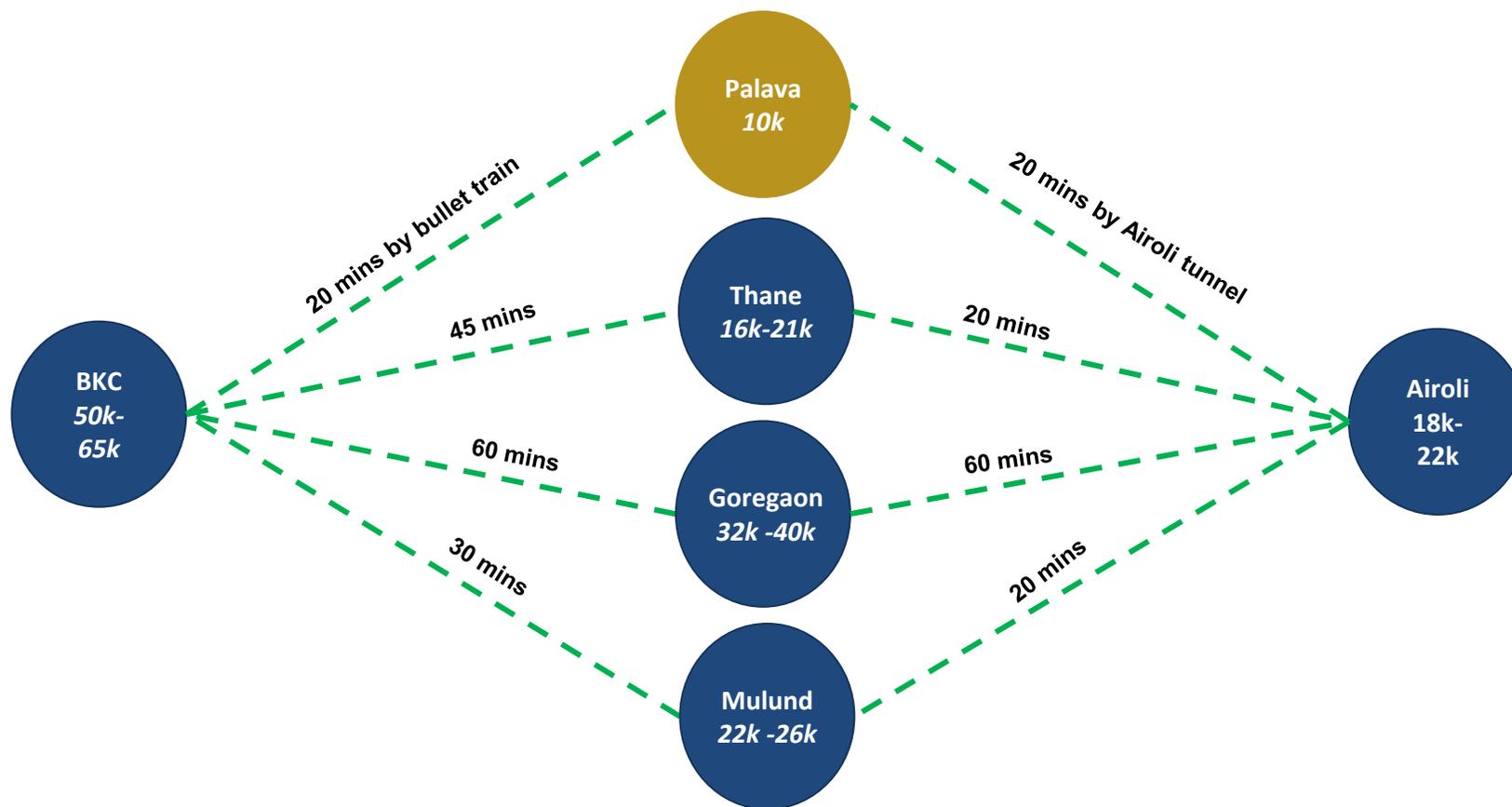
*Please note the above maps are at different scales*

# Industrial land prices have risen substantially over 3 years. Housing prices to follow suit

INR mn



# Palava: Large pricing arbitrage compared to competing markets: Opportunity to increase price + volume



Palava & Upper Thane set to deliver US\$175-200 bn of sales over next 3 decades with ~50% EBITDA margins

Nos in circle indicate average selling price in INR/sf carpet area in those markets



Actual Photograph

Club Lakeshore @ Palava – Opened 2017



Actual Photograph

Lodha Villa Royale @ Upper Thane – Opened 2022

	FY24 Actual	FY25 Guidance
<b>Pre-Sales</b>	145	175
<b>Operating Cashflow</b>	57	65
<b>New Project Additions</b>	203	210
<b>Net Debt</b>	Pre-QIP: 0.34x Post-QIP: 0.17x	<= 0.5x

## Pro-forma P&L (basis operating performance)

Particulars	FY24		FY25E	
	INR Bn	%	INR Bn	%
Pre-sales	145.2		175.0	
Embedded EBITDA	44.0	30%	54.3	31%
D&A	2.0		2.0	
Finance Cost	7.7		5.0	
PBT	34.3	24%	47.3	27%
Taxes (assumed rate: 25.2%)	8.6		11.7	
PAT	25.7	18%	35.4	20%
RoE	~19% (without impact of Q4 equity raise)		~19%	
	~17% (with impact of Q4 equity raise)			

Growing margin

# High quality management team



**Shaishav Dharia**  
**CEO – Townships, Director – GDI Platform**  
 ■ Formerly worked with McKinsey & Company and Logic Tools



**Prateek Bhattacharya**  
**CEO – Western Suburbs & Thane**  
 ■ Formerly served as Expert Associate Principal at McKinsey and Co.



**Rajib Das**  
**President - Eastern Suburbs & Navi Mumbai**  
 ■ Formerly worked with Godrej Group, Indiabulls Properties



**Tikam Jain**  
**CEO – Pune**  
 ■ Grown at Lodha with 25 years of association, last position held as Head CPT



**Rajendra Joshi**  
**CEO – Bangalore**  
 ■ Formerly associated with Brigade Enterprises, Mahindra Lifespaces



**Devender Singh Rawat**  
**CEO – GDI Platform**  
 ■ Formerly MD& CEO of Bharti Infratel, also worked with Ericsson, Huawei



**Sushil Kumar Modi**  
**Chief Financial Officer**  
 ■ Formerly worked at GMR, Aditya Birla Group & JSW Steel



**Prashant Bindal**  
**Chief Sales Officer**  
 ■ Formerly part of Spice Mobility, Walmart India and Hindustan Coca Cola Beverages



**Rajesh Sahana**  
**President – Customer Experience**  
 ■ Formerly worked with Globacom, Reliance Jio, Bharti Airtel, ABN Amro & Bank of America



**Raunika Malhotra**  
**President - Marketing and Corporate Communications**  
 ■ Formerly worked with ECS Limited and Adayana Learning Solutions



**Janhavi Sukhtankar**  
**President – Human Resources**  
 ■ Formerly held senior positions at Greenpeace International & Sanofi India



**Piyush Vora**  
**Head – Business Development**  
 ■ Formerly Partner at BDO India



**Deepak Chitnis**  
**Chief Designer**  
 ■ Previously served as senior architect at Oberoi Constructions Pvt Ltd



**Rajat Kumar Singh**  
**President- Finance**  
 ■ Formerly worked with Adani Group, Reliance Group & GMR



**Shyam Kaikini**  
**President – Hospitality & Property Management**  
 ■ Formerly associated with Taj Hotels, Jumeirah International



**Dhruvi Dholkia**  
**President legal**  
 ■ Formerly worked with Essel Group and Indospace capital advisors.



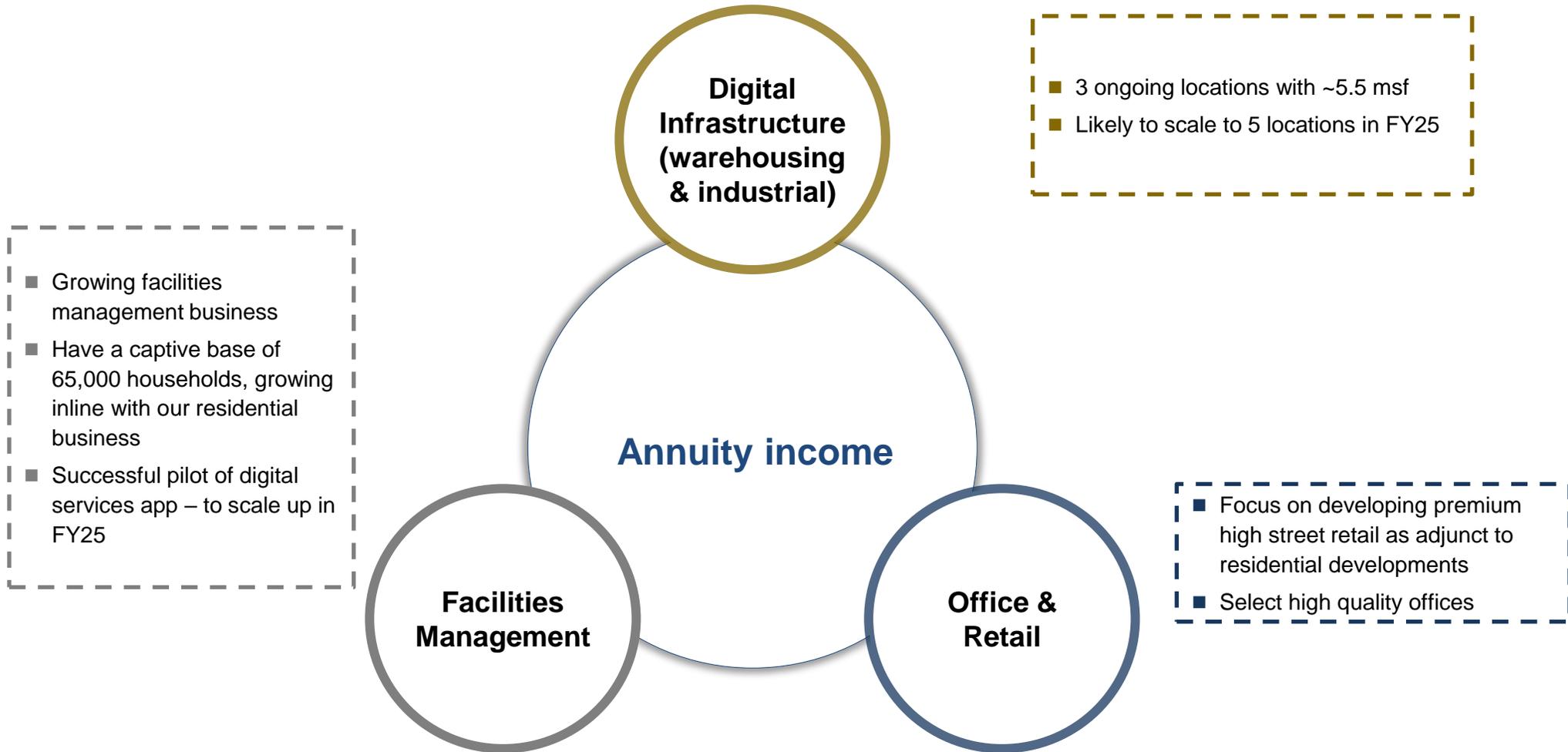
**Rajesh Agrawal**  
**President - Procurement**  
 ■ Formerly served as Group CPO at Adani Ent. & held senior positions at RIL, JSW

**Const. Mgmt. Team**  
 ■ **Satish S:** Ex-Arabtec.  
 ■ **Shrikanth K:** Ex- Phoenix  
 ■ **Yogendra B:** Ex- L&T



# **03** Building annuity streams with low investments

# Gradually building annuity income pool



Targeting INR ~5bn of net annual income by FY26 and INR ~15bn by FY31

# Rapid digitization of Indian economy to provide immense opportunities

- ✓ Developing Warehousing, Logistics, Data Centers, Light industrials catering to digitization of economy
- ✓ Opportunity to be amongst top 3 Digital Infrastructure (DI) players in India: **Land for this segment near our townships at Palava & Upper Thane**
- ✓ **Strong demand:**
  - Led by e-commerce, logistics, global manufacturing diversifying beyond China and India capitalizing on the same through incentives like PLI<sup>1</sup>
    - Strong outlook<sup>2</sup> for Ecommerce (~25% CAGR till 2027), Warehousing (~20% CAGR till 2025), Data Center (2x in 3 years)
- ✓ **Need for strong India based player:**
  - DI industry largely served by international investors; No large India developer present significantly
  - Land acquisition and execution capabilities key differentiators
- ✓ **Long term sustainable growth opportunity**

<sup>1</sup>Production-linked Incentive Scheme

<sup>2</sup>Source: Anarock

# Digital Infra.: potential to generate significant recurring income

- ✓ Strong demand from end users of diverse industries E-Commerce, Fashion & Sportswear retailers, Consumer Goods, 3-PL, Logistics, Data Center, EV Ecosystem, FMCG, Engineering Goods, Life Sciences, etc.
- ✓ Pursuing land acquisition in NCR, Maharashtra & Bengaluru for the platform
- ✓ Skechers & Schlumberger facilities already generating rent from 3QFY24

<i>(in mn Sq ft.)</i>	<b>Area (msf)</b>
<b>Area Under Development</b>	<b>5.5</b>
<i>Area Under Construction</i>	<i>1.4</i>
<i>Area Leased Out</i>	<i>1.2</i>
<i>Area Generating Rent</i>	<i>0.9</i>



India's largest warehousing box operationalized by Skechers

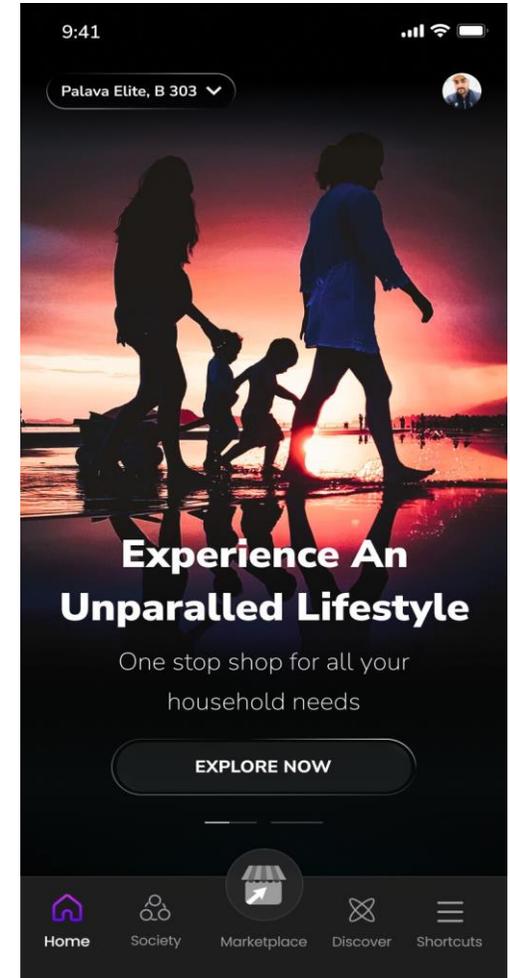
# Recurring Cash-flow generation through land monetization

- ✓ ~400 acres land monetized till date from land sales to industry
- ✓ Leading players from warehousing, sports retailing, pharma, cooling product, 3-PL, cold chain, specialty petroleum product, oil field service industries, specialty paint have established their footprint
- ✓ Aptar Pharma, Skechers, Schlumberger and ESR park already operational, boosting economic activity & job creation at Palava

(INR bn)	Jan-21 to Mar-24	FY24
Cashflow from land sales	19.1	4.4

# Growing facilities management business with a digital services layer

- ✓ Growing facilities management business on the back of rising number households staying in Lodha developments
  - Captive base of 65,000 households
  - Strong understanding of consumers and their spending patterns
- ✓ Added digital layer to already established facility management business to provide seamless customer experience through integrated platform and offer:
  - Home improvement products and services
  - Near Commerce (not serviced by legacy e-commerce)
  - Real estate services eg. resale/ rental
- ✓ Potential to onboard other developments (other than those by direct competitors) and add a critical mass of consumers
- ✓ Successful pilot of digital services app '**Bellevie**'– to scale up in FY25



Strategic business opportunity to generate significant recurring service / fee income

## Office & retail assets with rental potential of INR ~3bn p.a.

Asset	Status	Area (msf)	Area Leased (msf)	Annual Rental Potential <sup>1</sup> (INR mn)
One Lodha Place, Worli	Ready	0.37	0.23	1,000
iThink, Palava	Ready	0.15	0.15	72
	U/C	0.43	-	206
<b>Office Total</b>		<b>0.95</b>	<b>0.38</b>	<b>1,278</b>
Xperia Mall, Palava	Ready	0.42	0.39	350
High-street Retail	Ready	0.09	0.08	259
	U/C	0.32	-	980
<b>Retail Total</b>		<b>0.83</b>	<b>0.47</b>	<b>1,588</b>
<b>Grand Total</b>		<b>1.78</b>	<b>0.85</b>	<b>2,867</b>

<sup>1</sup>Basis FY24 leasing rates



# 04 Growing in sustainable manner

# We are *best in class* when it comes to measured ESG performance

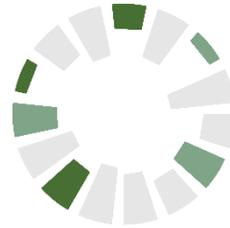
Member of

## Dow Jones Sustainability Indices

Powered by the S&P Global CSA

### S&P Global Corporate Sustainability Assessment 2023

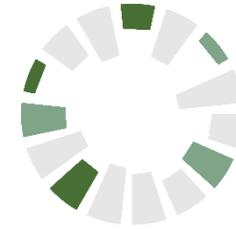
Third highest CSA score out of ~300 companies globally in Real Estate



G R E S B  
★ ★ ★ ★ ★ 2023

### GRESB Development Benchmark 2023

Ranked 1st in Asia with a 5-star rating and score of **100/100** in the category Residential: Multi-Family | Listed



G R E S B  
★ ★ ★ ★ ★ 2023

### GRESB Standing Investments Benchmark 2023

Ranked 8<sup>th</sup> in Asia with a 5-star rating and score of **90/100** in the category Diversified - Office/Retail | Listed



### WBA Buildings Benchmark

Ranked 4<sup>th</sup> among the 50 keystone buildings sector companies globally



FTSE4Good

### FTSE4Good Index Series

Retained position in the **FTSE4Good Index Series** in Dec 2023 index review



### IGBC Green Champion Award

Winner of the 10th IGBC Green Champion Award under the category of 'Developer leading the Green Homes Movement in India'

# Strong focus on ESG driven by our empowered Board of Directors



**Abhishek Lodha**  
*Managing Director*

- Holds a master's degree in science (industrial and systems engineering (supply chain & logistics) from Georgia Institute of Technology
- Worked with McKinsey & Company, USA



**Mukund Chitale, *Independent Director and Chairman***

- Formerly Director on the Board of L&T
- Former President of ICAI and Chairman of Ethics Committee of BSE



**Rajinder Pal Singh, *Non-Executive Director***

- Director on the Board of Maruti Suzuki
- Former Chairman and Managing Director of Punjab & Sind Bank and Chairman of NHAI



**Ashwani Kumar, *Independent Director***

- Former Chairman and Managing Director (CMD) of Dena Bank and board member of the LIC
- Former President of the Indian Institute of Banking and Finance



**Lee Polisano, *Independent Director***

- Founding partner and President of PLP Architecture, UK; Fellow member of the American Institute of Architects
- Globally recognized for architectural and urban design work, emphasizing underlying concern for environment



**Rajeev Bakshi, *Independent Director***

- Former MD & CEO of Metro Cash & Carry and formerly associated with Pepsico, Cadbury Schweppes
- Currently on the board of Cummins India, Dalmia Bharat Sugar



**Harita Gupta, *Independent Director***

- Formerly associated with Microsoft and NIIT Technologies
- Currently leading APAC and Global Enterprise Business at Sutherland Global Services



**Rajendra Lodha, *Whole-Time Director***

- 30+ years of experience in all facets of real estate development
- Bachelor's degree in civil engineering from M.B.M. Engineering College, University of Jodhpur



**Raunika Malhotra, *Whole-time Director, President - Marketing and Corporate Communications***

- 15+ years of experience in leadership, corporate strategic planning, consumer insights and brand management
- Formerly worked with ECS Limited and Adayana Learning Solutions in strategic consulting

# Strategy to achieve the overarching ESG Goals

Identify initiatives that enhance our impact and brings together our larger set of stakeholders to partner in the journey with us

## Our ESG Goals

**E** → Ensure sustainability in our product and operations by positively impacting the natural environment

**S** → Positively impact our people and community through utmost respect for human rights, diversity and inclusion

**G** → Drive industry transformation by leading ethically and bolstering trust through high degree of transparency & accountability



# Strategy to achieve the overarching ESG Goals

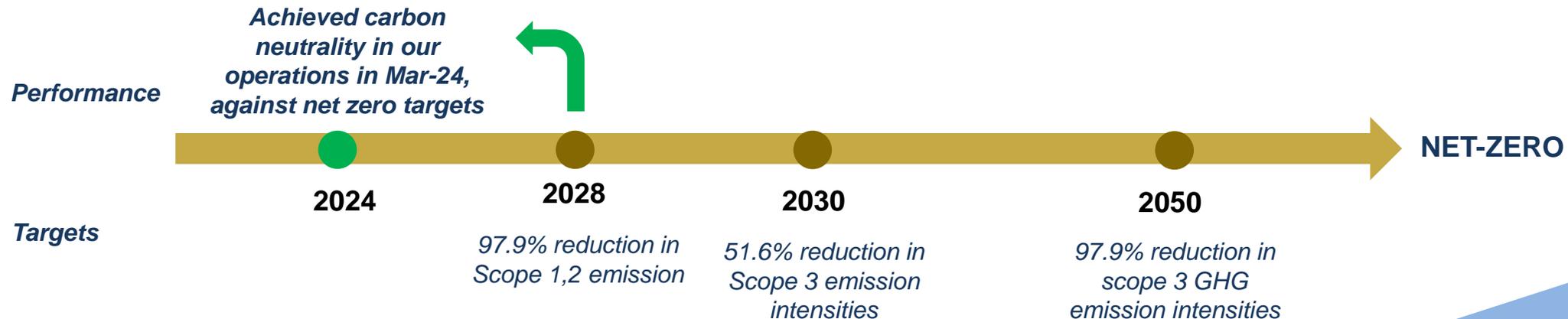


## SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

- Near-term targets:
  - Reduce absolute **scope 1 and 2 GHG emissions 97.9% by FY2028** from a FY2022 base year
  - Reduce **scope 3 GHG emissions 51.6% per square meter of area developed by FY2030** from a FY2022 base year
- Long-term target:
  - Maintain at least **97.9% absolute scope 1 and 2 GHG emissions** reductions from FY2028 through FY2050 from a FY2022 base year
  - Reduce absolute **scope 3 GHG emissions 97.9% per square meter of area developed by FY2050** from a FY2022 base year

### OUR NET-ZERO ROADMAP



# Progress made in Environmental Sustainability

Overarching Goals

Achieve 97.9% reduction in Scope 1, 2 emission in operations by the year 2028

Align Scope 3 emissions reduction roadmap with 1.5 °C ambition

Be resilient to climate change while not contributing to global warming

Through “**Lodha Net Zero Urban Accelerator**” in partnership with RMI – undertaking Initiatives covering entire spectrum of emission in built-environment & using Palava as a city-scale living laboratory to offer a development template that can demonstrate growth decoupled from emissions is possible - For more [here](#)

Part of ‘Build Ahead’ coalition by Xynteo to accelerate use of low-carbon building materials

1<sup>st</sup> Real Estate company in India to have Net Zero Targets Validated by SBTi

Achieved Carbon Neutrality in Scope 1,2 emissions against our net zero targets

Renewable Energy: Transitioning to 100% of electricity used on construction sites and assets to renewable sources through on-site generation & off-site purchases, achieved 98% as of Mar-24

Enabling switch to Electric Vehicles for residents at our developments - 136 EV chargers installed across sites by Tata Power as of Mar-24

Green Certification received for ~50 million sqft across projects; process ongoing for ~42.9 million sqft across 35 residential projects

Over 42 MLD capacity of STPs installed across our projects

>25 tonnes capacity of organic waste management plants installed across projects

Completed G+23 building with triple blend concrete mix using fly ash, OPC, and cement; by replacing ~50% cement with GGBS (Ground Granulated Blast Furnace Slag) in the concrete mix, 14% reduction in the overall embodied carbon of the building

One Lodha Place – Our flagship office building

-----  
LEED v4 BD+C:CS Platinum Pre-certification, the highest rating for green buildings

IGBC Net Zero Energy (design) certification

Lodha Digital Infrastructure Park – LEED Platinum pre-certified by IGBC

Signed an MoU with Third Derivative, the startup incubator arm of the Rocky Mountain Institute (RMI), to foster innovation in the built environment

Partnered with IIT-Delhi for piloting use of an innovative blend, LC3 (limestone calcinated clay cement) to find commercial use case; Can help achieve up to 40% reduction in emissions compared to a Ordinary Portland Cement (OPC)

# Progress made in Social and Governance dimensions

Governance	Social	
Board	Our People	Communities
<p>Board led by an Independent Director</p> <p>Board constituted by majority of the Independent Directors</p> <p>ESG Committee at the board headed by an Independent Director</p>	<p><b>Diversity &amp; Inclusion (44% Women by FY27)</b></p> <p>Women represent 26%* of employee strength as of Mar-24</p>	<p><b>Enabling Livelihood for Women</b></p> <p><b>Project Unnati</b> - Aimed at empowering and enabling women to participate in the formal labour force and achieve their aspirations, advance social &amp; economic development of India</p> <p>Till Mar-24, 195 women have accessed at least one free job readiness programme &amp; 33 women have been offered jobs at or near home</p> <p>Partnership agreements with three aligned companies through Unnati to provide support to unlock 2600+ jobs over the next three years</p>
	<p><b>All women construction team</b></p> <p>Inaugural all-women construction management team broke the ground at Lodha Upper Thane, marking a significant stride not only for Lodha but for the entire real estate sector in India for Women empowerment</p>	
	<p><b>Empowering our talent</b></p> <p>Instituted various rewards under our flagship initiative LACE^ &amp; programs like Lodha KAG^ and EXCEL at Lodha to nurture future leaders</p> <p>Young Women Development Program – imparting skills needed to excel in current roles and prepare them for future leadership roles</p>	
<p><b>Disclosures</b></p> <p>Created best in class disclosure standards in Real Estate Industry -appreciated by stakeholders</p>	<p><b>Learning &amp; Development (8 man days by FY27)</b></p> <p>~27 learning man-hrs per associate in FY24</p>	<p><b>Education</b></p> <p><b>Lodha Genius</b> –in partnership with Ashoka University, India’s leading Liberal Arts &amp; Sciences University, to help the brightest students across our country to achieve their full potential</p> <p>Program to identify such students and support them <b>by providing academic exposure, opportunities for growth, financial support and mentorship</b></p> <p>First <b>cohort of 96 students</b> from diverse backgrounds underwent a <b>month long campus program</b> &amp; mentoring by some of the finest minds in the world <b>including Nobel Laureates</b></p>
<p><b>S&amp;P Global 2023 Corporate Sustainability Assessment (CSA): 3<sup>rd</sup> Highest score out of ~300 global Real Estate Development companies</b></p>	<p><b>Health and Safety</b></p> <p>Lost Time Injury Frequency Rate - 0.033 in FY24</p>	

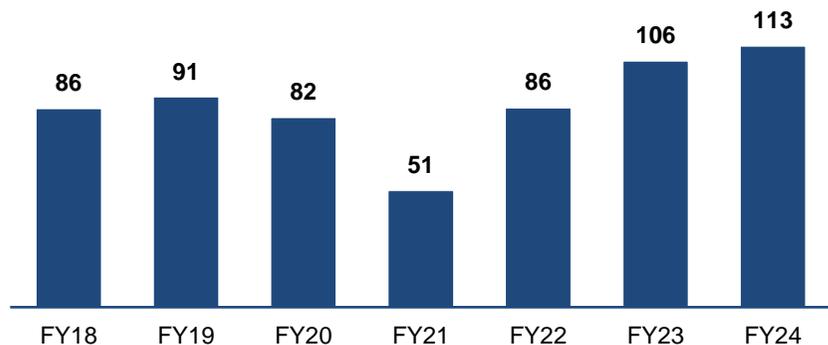
\*in non-construction work force; ^LACE: Lodha Associate Celebrates Excellence, KAG: Key Associate Group



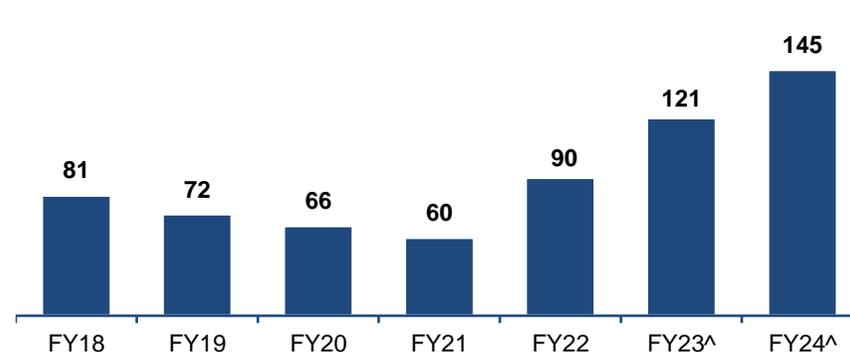
# 05 Financial Highlights

# Strong execution track record

Collections (INR bn)



Sales (INR bn)



Summary financials (INR bn)

	FY19	FY20	FY21	FY22	FY23	FY24
Revenue from operations	119.1	95.8	54.5	92.3	94.7	103.2
Adjusted EBITDA <sup>1</sup>	37.2	28.3	15.4	32.4	29.7	34.3
Adjusted EBITDA <sup>1</sup> %	31.3%	29.6%	28.3%	35.1%	31.4%	33.3%
Adj. Profit/ (Loss) <sup>2</sup>	17.1	11.5	3.4	12.6	13.5	16.2
Adj. Profit/ (Loss) <sup>2</sup> %	14.4%	11.8%	5.9%	13.2%	13.9%	15.4%

Sustaining 30+% Adj. EBITDA margin

## Consistent track record of margin and profitability

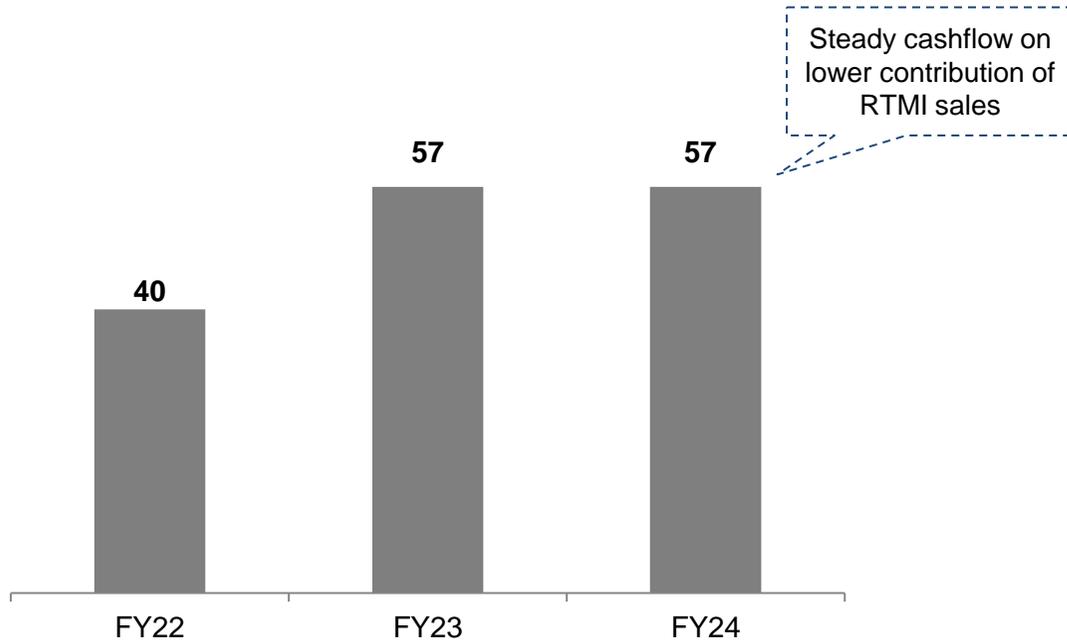
Note: <sup>1</sup>Includes DM Sales of INR 6.0bn and 0.9bn in FY23 and FY24 respectively

<sup>1</sup>Adjusted EBITDA = After Grossing up of Finance cost included in cost of project; <sup>2</sup>Adjusted Profit/(Loss) = ex. Forex & Exceptional Item net of taxes (Provision against UK investments), will benefit from tax break on it)

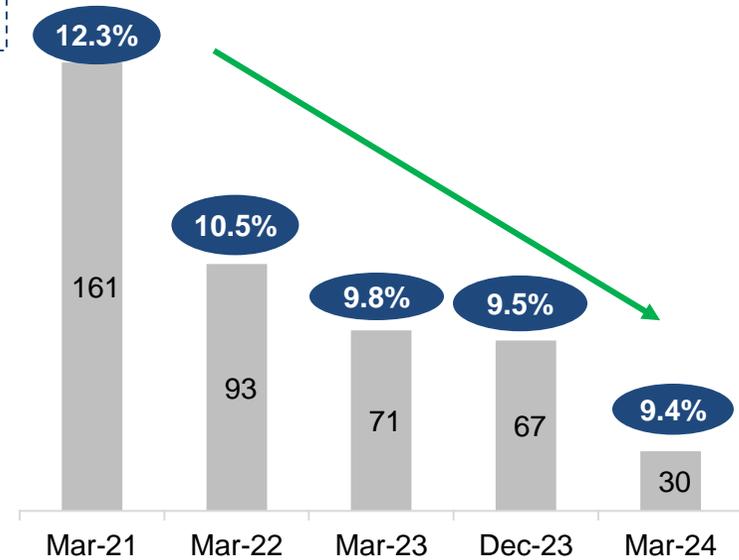
# Generating significant operational cashflow for growth

INR bn

### Operating cashflow at INR 57bn



### Net debt and cost of debt on declining trajectory



x% Average exit cost of debt

## Business Development: Surpassed guidance of FY24

Micro-market	Saleable Area (msf)	Est. GDV (INR bn)
MMR – South Central	4.3	74
MMR – South Central	1.1	16
MMR – South Central	0.4	12
MMR – Western Suburbs	0.3	10
Bengaluru - South	1.0	8
MMR – Eastern Suburbs	0.7	13
MMR – Western Suburbs	0.5	10
MMR – South Central	0.8	24
MMR – South Central	0.8	24
MMR – South Central	0.4	12
	<b>10.3</b>	<b>203</b>

## Good mix of inventory for sustainable growth

Micro-markets	Pre-sales (FY24)	Residual Collections from Sold units	Ready unsold	Ongoing unsold	Planned Inventory Launches				Land Bank <sup>1</sup>
					In next 12 months		Beyond 12 months		
					Own Land	JDA Projects	Own Land	JDA Projects	
	INR bn		Mn. Sq. ft.						
South & Central	42.9	37.3	1.2	2.1	-	1.0	0.9	7.7	-
Thane	14.2	10.4	0.3	2.7	-	-	4.0	-	-
Extended Eastern Suburbs	21.8	21.5	3.5	4.3	3.8	-	43.5	-	600+
Western Suburbs	10.5	8.6	0.0	1.0	0.2	0.5	-	0.4	-
Pune	18.0	16.3	0.1	2.6	0.7	0.9	-	1.3	-
Eastern Suburbs	19.7	19.0	-	2.0	0.7	0.7	1.0	2.4	-
Extended Western Suburbs	0.1	0.3	0.0	0.1	-	-	-	-	-
Bangalore	12.0	10.8	-	0.5	1.6	-	-	-	-
Offices & Retail (for rent)	1.5	0.6	1.3	0.4	-	-	7.2	-	-
Land Sales/Industrial Park	4.4	0.6	1.1 <sup>2</sup>	4.1 <sup>2</sup>	-	-	-	-	-
<b>Total</b>	<b>145.2</b>	<b>125.4</b>	<b>7.4</b>	<b>19.8</b>	<b>7.1</b>	<b>3.0</b>	<b>56.7</b>	<b>11.8</b>	<b>600+</b>

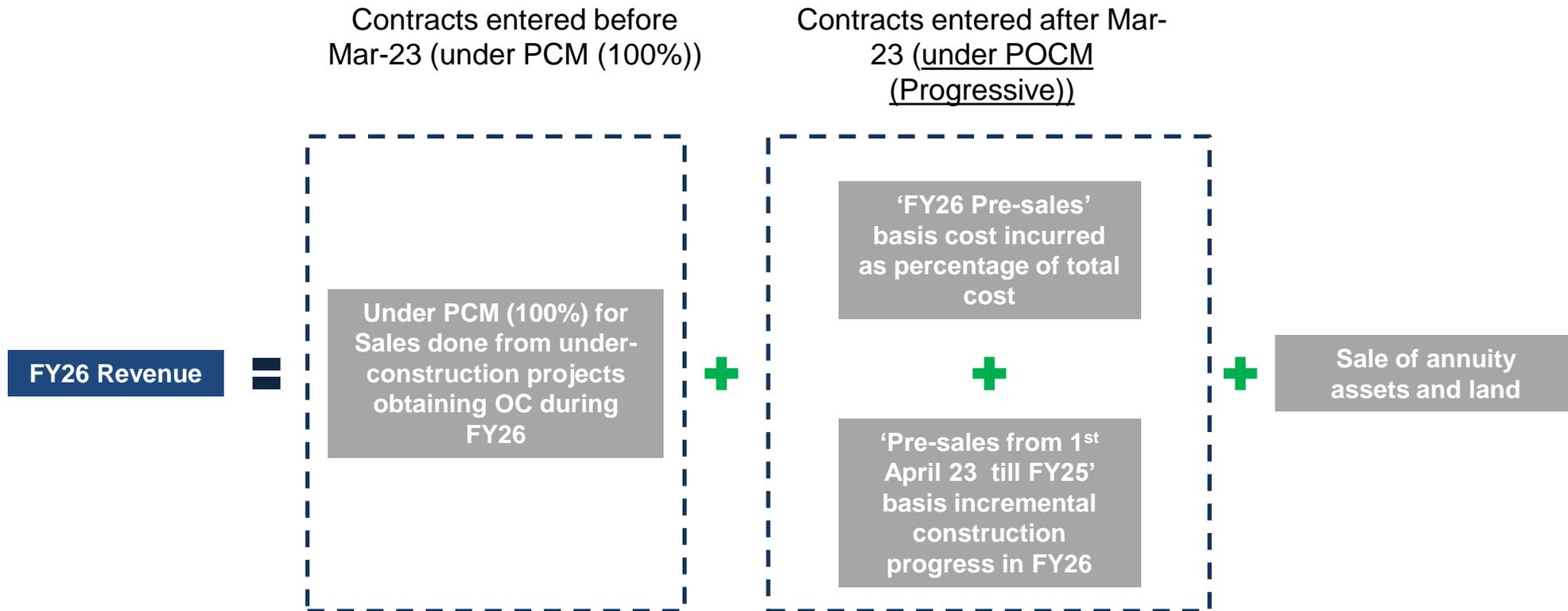
Data as on Mar-24; Value of Ready Unsold and Ongoing Unsold is INR ~96bn and INR ~266bn respectively

<sup>1</sup>Land bank is surplus land beyond the ongoing & planned projects, To be utilized for Township & Digital Infrastructure Park business

<sup>2</sup>Includes JV with Morgan Stanley and JV for Digital Platform

# Revenue recognition for a financial year

## Illustration for revenue recognition in FY26



# Market wise completion plan for ongoing 'for sale' projects (1/2)

Mn. Sq. ft.

Market	Total area	Sold/ Unsold*	FY25		FY26		FY27		>= FY28	
			Own	JDA	Own	JDA	Own	JDA	Own	JDA
South & Central Mumbai	3.22	Sold-PCM	0.21	-	0.02	0.00	0.11	0.06	-	-
		Sold-POCM	0.18	-	0.15	0.05	0.04	0.24	0.07	-
		Unsold	0.34	-	0.31	0.42	0.06	0.42	0.52	-
Thane	5.13	Sold-PCM	0.64	-	0.57	-	0.00	0.03	-	-
		Sold-POCM	0.25	-	0.48	-	0.32	0.14	0.01	-
		Unsold	0.29	-	0.25	-	1.20	0.41	0.54	-
Extended Eastern Suburbs	9.75	Sold-PCM	2.35	-	0.59	-	0.09	-	-	-
		Sold-POCM	0.93	-	1.25	-	0.22	-	-	-
		Unsold	0.47	-	1.41	-	2.44	-	-	-
Western Suburbs	2.27	Sold-PCM	-	0.46	0.01	0.03	0.16	-	-	-
		Sold-POCM	0.02	0.09	0.01	0.16	0.09	0.21	-	-
		Unsold	-	0.04	0.06	0.15	0.38	0.39	-	-

\*Sold/ Unsold data is as of Mar-24

# Market wise completion plan for ongoing 'for sale' projects (2/2)

Mn. Sq. ft.

Market	Total area	Sold/ Unsold*	FY25		FY26		FY27		>= FY28	
			Own	JDA	Own	JDA	Own	JDA	Own	JDA
Eastern Suburbs	3.74	Sold-PCM	-	0.17	-	0.32	0.00	0.20	-	-
		Sold-POCM	-	0.06	-	0.09	0.00	0.90	-	-
		Unsold	-	0.11	-	0.19	0.00	1.68	-	-
Pune	6.62	Sold-PCM	0.17	0.79	0.15	0.52	0.03	0.13	-	-
		Sold-POCM	0.13	0.26	0.20	0.41	0.27	0.97	-	-
		Unsold	0.07	0.24	0.23	0.17	0.38	1.49	-	-
Extended Western Suburbs	0.40	Sold-PCM	-	-	0.32	-	0.00	-	-	-
		Sold-POCM	-	-	0.02	-	0.00	-	-	-
		Unsold	-	-	0.06	-	0.00	-	-	-
Bangalore	1.64	Sold-PCM	-	-	-	-	0.00	-	-	-
		Sold-POCM	-	-	-	-	0.68	-	0.42	-
		Unsold	-	-	-	-	0.04	-	0.50	-
<b>Total</b>	<b>32.77</b>	<b>Sold-PCM</b>	<b>3.44</b>	<b>1.43</b>	<b>1.67</b>	<b>0.88</b>	<b>0.40</b>	<b>0.42</b>	<b>0.00</b>	<b>-</b>
		<b>Sold-POCM</b>	<b>1.51</b>	<b>0.41</b>	<b>2.10</b>	<b>0.71</b>	<b>1.61</b>	<b>2.47</b>	<b>0.50</b>	<b>-</b>
		<b>Unsold</b>	<b>1.31</b>	<b>0.38</b>	<b>2.33</b>	<b>0.93</b>	<b>4.50</b>	<b>4.38</b>	<b>1.56</b>	<b>-</b>

\*Sold/ Unsold data is as of Mar-24

# Lodha - India's leading real estate developer

## Leading Residential Platform

### Amongst India's Largest Real Estate Developers

- **INR ~915bn** of pre-sales and **INR ~874bn** of collections (95% of pre-sales) **since FY14**

### Diversified portfolio providing resilient growth

- ~40 operating projects contributing to sales
- **Presence across luxury, premium, mid-income & affordable:** ~60% sales from mid-income and affordable

### Focus on 3 cities contributing 2/3<sup>rd</sup> primary homes sales (INR 2.2 tn) amongst Top 7 Indian cities

- ~10% market share in MMR
- Accelerating growth in Pune
- Good start to 2 pilot projects in Bengaluru

### Operational Excellence & Strong Brand

- **Premium** brand positioning and high recall
- **High quality** leadership team
- **Best value from construction spends:**
  - Amongst only engineering led and engineering focused RE companies
  - No margin leakage to GC
- **Industry leading ESG practices & ratings**

## Strong Financial Profile

### Strong operating cash flow generation giving ability to grow & de-lever in tandem

#### FY 24 performance:

- Operating cash flow: INR ~57bn
- Cash available for investment & capital providers: ~50bn
- Net debt reduction: ~INR 41 bn: ~INR 11 bn from operations + ~INR 30 bn from capital raise
- Rewarding shareholders: Steadily growing dividend: INR 2.25/sh for FY24 (+125% of FY23)

### Strong profitability track record; further expansion due to scale up, price growth & debt reduction

- Sustained adj. EBITDA margin of ~30%
- Pro-forma RoE at ~19%<sup>1</sup>, **target 20% by FY26**

### Conservative leverage: Net debt capped at 0.5x D/E

- Net debt = 0.34x Equity (excluding impact of capital raise, 0.17x with capital raise); Well below ceiling
- AA- (Stable) - 6 upgrades already since 2021

### Annuity like cashflow from townships

- FY 24 sales INR ~22bn; Collections INR ~22bn
- Infra project completion (FY 25-29) to lead to step change in volume and margins
- 600+ mn sft dev potential. Estimated sales of US\$ 175+ bn in next 3 decades with EBITDA margin growing to 50%

## Multiple Growth Drivers

### Planned consistent growth of ~20% p.a. in housing

- Dual consolidation – both on demand & supply side – a huge tailwind for Tier -1 brands
- Significant headroom to grow in MMR, Pune and Bengaluru through 'supermarket' strategy of presence every 2-4 km radius

### Building recurring / annuity income - targeting INR ~5bn of net income by FY26 and INR ~15bn by FY31

- Growing Property Management business, with digital layer, aligned to residential growth
- Rental income from warehousing/industrial, retail high street and select office

### Partner of choice for landowners, lenders & investors

- Added 33 projects with GDV of INR ~547bn since IPO

<sup>1</sup>Excluding impact of Q4 equity raise (RoE at ~17% with impact of Q4 equity raise); US\$ 1 = INR 83; All areas in saleable area

*Thank You!*

*For any further information, please write to [investor.relations@lodhagroup.com](mailto:investor.relations@lodhagroup.com)*